

Sir Richard Glyn, Bt.

GLYN'S

1753-1953

Six Generations in Lombard Street

BY

ROGER FULFORD

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PREFACE

HAPPY the banking system that hath no annals.' ¹
This observation, made by a distinguished Scottish authority on banks half a century ago, applies with singular felicity to the history of Lombard Street. For if the history of the dwellers in that street had been compounded of robberies and runs, of bankruptcies and closing shutters or of bubbles and crises, it is safe to say that the history of the City of London and of the whole country would be profoundly different from what we know today. Yet if the story of English banking is neither highly coloured nor dramatic — and this may to some extent explain why it is a field untilled by historical writers — our banking system remains the inconspicuous foundation of our commercial and industrial strength. The purpose of this book is to show how the most eminent of English private banks has contributed to that strength, and to set this contribution against the broad background of English history during the past two centuries.

Sir John Clapham, who has done more than any other writer to explain the modern economic history of Great Britain to the general reader, once plaintively observed that the existing histories of English banks were 'antiquarian, personal and external'.² He especially regretted that such books did not tell more of the

¹ A. W. Kerr, *History of Banking in Scotland*.

² Clapham, *Economic History of Modern Britain*, vol. ii, p. 349.

internal functions and business of the institutions which they depicted. So far as Glyn, Mills is concerned the explanation is that unhappily such information does not exist. Although in their vaults and in the deed-boxes of their customers banks may possess muniments of historical importance, these have no bearing on the history of the establishment where they happen to lie. The letters and documents which might reveal the mechanism of banks in times gone by are essentially ephemeral, and in businesses where space was always a problem they were destroyed when they had ceased to be current. Even in the more spacious times of the eighteenth century details of a business transaction between a bank and its customers occupied bulky and unwieldy folios, which were difficult to store and were probably destroyed at regular intervals. In the early 1800's Sir Richard Carr Glyn (the son of one of the founders of the Bank) was ordered by a Court of Law to produce certain ledgers dealing with a complicated transaction some thirty years previously. He replied that the only storage place available to the Bank was damp, and that some of these folios had become illegible. It was not until the end of the nineteenth century that the Bank made any attempt to preserve matters of interest for posterity or to collect such scraps about the past as were to be found in the building. This was due to Mr. A. S. Harvey — the far-sighted secretary of the Bank at that time — who collected this material in handsomely bound volumes. These, which are the principal source for this book, have been supplemented by later additions and have been made unconditionally available for this history. At the same

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time it has been possible from other sources to add information about the partners and their activities outside the Bank.

• But unhappily and (to our modern taste) strangely, the private bankers shunned publicity. They dreaded anything in the way of puffing — even what Sheridan once called ‘the puff oblique’. They slipped from life with, at most, a line or two of regret in the City columns of *The Times*, and a sheaf of decorous tributes, written on heavily blacked writing-paper, from customers and business associates to the surviving partners. But if the dearth of material has been at times baffling, it has nevertheless been possible to reveal something of the quality of these bankers and to draw the curtain on the cloistered virtues of the banking parlour. For the object of this book has not been to tell a purely economic story, but rather to show the Bank and its partners as a microscopic tributary to the stream of British history.

No attempt has been made to deal with the events of the present century except in the most general terms. While reticence is no longer a fashionable virtue in writers about the immediate past, it is imposed of necessity on the writer of a bank history by the confidential relationship between a banker and his customers — a relationship which must inevitably exclude from this book all business which is still current. Consequently, a more ample account of the last fifty years could only have been partial and lop-sided. That history remains to be told.

• The attentive reader may likewise notice that there is little enough in the pages which follow about the

customers of the Bank. Unlike Child's (with whom they are now amalgamated), Drummond's or Coutts's, Glyn's has no monopoly of aristocratic or illustrious names among their customers. The Bank was in origin a commercial bank in the City of London with almost entirely commercial customers, to whom (as the business prospered) a layer of private customers, who were mostly connected with the partners, was added. And if other banks are (to use the language of the poet Swinburne) 'Bright with names that men remember', Glyn's is 'loud with names that men forget'. Among the records in the Bank is a ledger which gives the names of all the London customers from A to K for the year 1800, and of those 400 names probably only, at most, half a dozen would be recognised by the modern reader. Here and there in the records of Glyn's eminent names appear. Lord Hood in the early days of the 1770's and in later times Lord Kitchener, whose accoutrements yet remain in the strong-room of the Bank, were both customers. When Lord Kitchener drove up to the Bank to transact business on his return from the South African war in 1902 he was recognised, and the whole length of Lombard Street was at once blocked by a large crowd. Four years previously he had attended the first meeting which led to the founding of the Gordon Memorial College at Khartoum; this was held at Glyn's under the chairmanship of Lord Hillingdon. Sir Edward Elgar was a valued customer who was popularly supposed to have whiled away the time when his pass-book was being made up by composing 'Land of Hope and Glory'. Through the M.C.C. having an account with Glyn's, the Bank

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arranged the finance for several of the English cricket tours. Among the more notorious customers of Glyn's was Roger Tichborne, and it was one of Glyn's Letters of Credit which he used on the last voyage abroad from which he did not return. One of the first acts of the Claimant was to draw a cheque for £10,000 on the wrong bank (Drummond's) — a point of some consequence in the story. Another conspicuous figure from Victorian times who banked at Glyn's was George Hudson — the railway promoter. Some letters have survived from the years when Hudson's glory had departed and he was in financial difficulties, and it is noteworthy that Glyn's advanced him considerable sums of money without security. The following letter which was sent to him about his account is a masterpiece of tact and good feeling, and might with advantage serve as a model for those who have to compose these difficult letters.

July 31 1851

DEAR SIR,

We feel it right to call your attention to the state of your account which is overdrawn to the extent of £2,700, and to mention that we have no means of preventing its being known to our clerks whose attention is called to the fact when cheques are presented for payment.

Your obedient servants

GLYN, MILLS AND CO.

Among the strictly commercial customers pride of place must go to the Railway Companies — some phantom but most of them seriously projected — which make a formidable list. In Great Britain alone they

amounted to at least 120. Among names which are still prominent in the business life of the nation are the Sun Insurance and the Hudson's Bay Company which have banked with Glyn's (or the Curries with whom Glyn's amalgamated in the 1860's) since 1777 and 1808 respectively. The longest direct association with Glyn's is that of John Newton and Sons — the firm of notaries — which started prior to 1778. Other long-established connexions are those with the Globe Insurance Company (now the Liverpool and London and Globe Insurance Company), which dates back to at least 1800, and with the Gas Light and Coke Company which began in 1828, at the close of a commercial crisis of great intensity.

Considering the respective merits of the private bank and the joint-stock bank the reader will doubtless feel (with the writer of this book) that the services of the private banks to British industry deserve to be rescued from oblivion. So far as Glyn's are concerned these services are particularly important in the development of new enterprises like the Railways and in preserving a large part of the Empire like Canada. If, in those spirited times of the nineteenth century when these opportunities presented themselves, Lombard Street had been in the grip of the great banking monopolies the story would have been dismally different. The most enlightened and penetrating historian of the recent past (Mr. R. C. K. Ensor¹) has summed up this important matter most fairly when he writes that the absorption of the private banks by the joint-stock combines in the nineteenth and twentieth centuries 'gradually

¹ *England, 1870-1914.*

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blunted the spear-point of individualist initiative, which had hitherto opened the new ways for England'. As has often been said, the private banks disappeared because the children could not carry on the business which the fathers had built up, or, as Bagehot expressed it in *Lombard Street*, 'an hereditary business of great magnitude is dangerous'. The story of Glyn, Mills is unusual and gains point from the obvious fact that for two centuries the capabilities of the families in the partnership have matched their inheritance.

. I wish to express my particular obligation to the present partners who now occupy the places in the Parlour once filled by Mr. Joseph Vere, Sir Richard Glyn and Sir Thomas Hallifax. They have helped and encouraged me in countless ways and have taught me to look on their stretch of Lombard Street as a haven of hospitality and enlightenment. They have not only placed all the information they possess at my disposal, but they have helped me to acquire such anecdotes and traditions of former times as still linger in the Bank. Apart from smoothing down one or two rough judgments, they have left me to tell the story as I found it in my own fashion. Consequently, the responsibility for what is said is mine and not theirs. I am likewise grateful to the members of the Glyn, Hallifax and Mills families who have spared the time to help me with valuable information.

I have been fortunate in having throughout the compilation of this book the unflagging help of Mr. S. W. Shelton of Glyn's. No man can have a wider and more precise knowledge of the history of his own bank and of banking history in general than he has.

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His judgment and knowledge have been (as the Psalmist expresses it) 'a lantern unto my feet', and there is no page of the book which has not been fortified and enriched by his hand. For all this help I express the deep sense of my gratitude.

ROGER FULFORD

August 1953

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CHAPTER ONE

MESSRS. VERE, GLYN AND HALLIFAX

THE Bank first opened its doors for public business on January 5th, 1754. In the harsh commercial climate of eighteenth-century London there was perhaps only one golden rule which guided and inspired those who earned a livelihood there, and that was 'The Survival of the Most Industrious'. The half-day, the 'week-end', the holidays procured by Saint Lubbock and all the paraphernalia of leisure which surrounds the worker in a twentieth-century city were unknown. As if to underline their difference from us and their belief in the virtues of austerity, the first partners started business on a Saturday.

At the time the opening of the Bank was no great event — no crowds thronged the doors eager to do business, and it may be surmised that the citizens of London — heavy, cautious and shrewd — were hardly aware, as they walked along Lombard Street, that a new bank was open. By itself the event was of slender consequence, for in those days men were constantly forming small banking partnerships, which were then dissolved into other combinations or were overtaken by the grim spectre of failure. But the careful observer would have realised that the Bank which opened on January 5th, 1754, had attracted a remarkable partnership which was disclosed in its business title of Vere,

Glyn and Hallifax. The first name was respected and established in the small fraternity of private bankers, although the other two were comparatively unknown in Lombard Street.

At this time the senior partner Joseph Vere was 57, having been born in the month when peace was signed between William III and Louis XIV. When he was 16 he was apprenticed to one of the conspicuous names in English banking — Thomas Martin, who carried on business at the sign of the Grasshopper in Lombard Street. In young manhood he became partner in a bank known as Glegg and Vere. When Glegg died in the 1730's Vere took into partnership Charles Asgill, who subsequently became Lord Mayor of London. This partnership broke up in 1753 when Vere was actively engaged in founding the new Bank, the Articles of which were signed on December 20th in that year.

Joseph Vere came of sound City stock. His father was a mercer of Paternoster Row, his uncle a banker and he himself a distinguished member of the Goldsmiths Company, being warden for three years and prime-warden or master in 1753.

In the politics of the City of London or in the world of fashion and affairs outside the City Vere played no part. Yet it is possible that in this successful, quiet and unobtrusive banker ran the blood of de Vere, of the noble house of Oxford. In the previous century, in words which touched the fancy of Macaulay, a famous chief justice giving judgment in a claim to the Oxford peerage said :

There must be a period and an end to all temporal things — *finis rerum* — an end of names and dignities, and what-

soever is terrene ; and why not of De Vere ? for where is Bohun ? Where is Mowbray ? Where is Mortimer ? Nay, which is more, and most of all, where is Plantagenet ? They are entombed in the urns and sepulchres of mortality.

But whether in fact the forebears of this Lombard Street banker were lying in the emblazoned tombs of the de Vere family will never now be known. Certain it is that his cousin took some steps to claim the peerage, and that his claim was regarded by the lawyers as by no means absurd.¹ Whatever their connexions with the mediaeval aristocracy the Vere family had a flair for banking as, in addition to Joseph Vere's original partnership in Glyn's, his cousin founded Williams Deacon's Bank in 1770, while another member of the family founded a third House in 1787.

Richard Glyn — though not previously connected with banking — was a man of substance and standing in the City of London. He was in the early forties when the Bank was started, and like his father before him had been a prominent drysalter or oilman in Hatton Garden. Today such a profession may appear somewhat out of place to those accustomed to the more sparkling associations of Hatton Garden. Although the word drysalter seems to conjure up visions of tanning and pickling, Glyn's work as a drysalter was important and varied, for he was really a dealer in dyes and chemicals. Defoe in his book *The Complete English Tradesman* explains that a drysalter had to understand 'the buying of cochineal, indigo, gauls, surnach, logwood, fustick, madder and the like'. In fact Glyn was dealing in wares which were rather attractive, and he prospered.

¹ *Essex Archaeological Transactions*, vol. i. 1858.

Although like Vere, of respected City stock (he was born in Holborn), he had been educated at Westminster School, and he and his father bore on their arms the double-headed eagle which marked their affinity with the territorial family at Hawarden. To these advantages he added a prudent marriage, choosing for his wife Miss Lewen of Ewell. With an economy of words which lent emphasis to the point, the *Gentleman's Magazine* commented on the lady 'Worth £30,000'. Although his father-in-law bequeathed him by will the sum of 1s., this need not be interpreted too severely, since his wife had brought the fine property of Ewell as her dowry.

Some three years before the founding of the Bank he became a widower, but fortune which took away with one hand rewarded him with the other. In the summer and autumn of 1752 King George II had been absent on one of his lengthy and enjoyable visits to Hanover. He got back to London on November 18th and four days later Glyn, as Sheriff of the City, presented the King with a loyal address complimenting him on his safe return from his German dominions. The King, in expressing his gratitude, knighted him.

Glyn's fellow Sheriff, who was also knighted on this occasion, was Charles Asgill — the banking partner of Joseph Vere. It would seem a reasonable deduction that Asgill brought Vere and Glyn together.

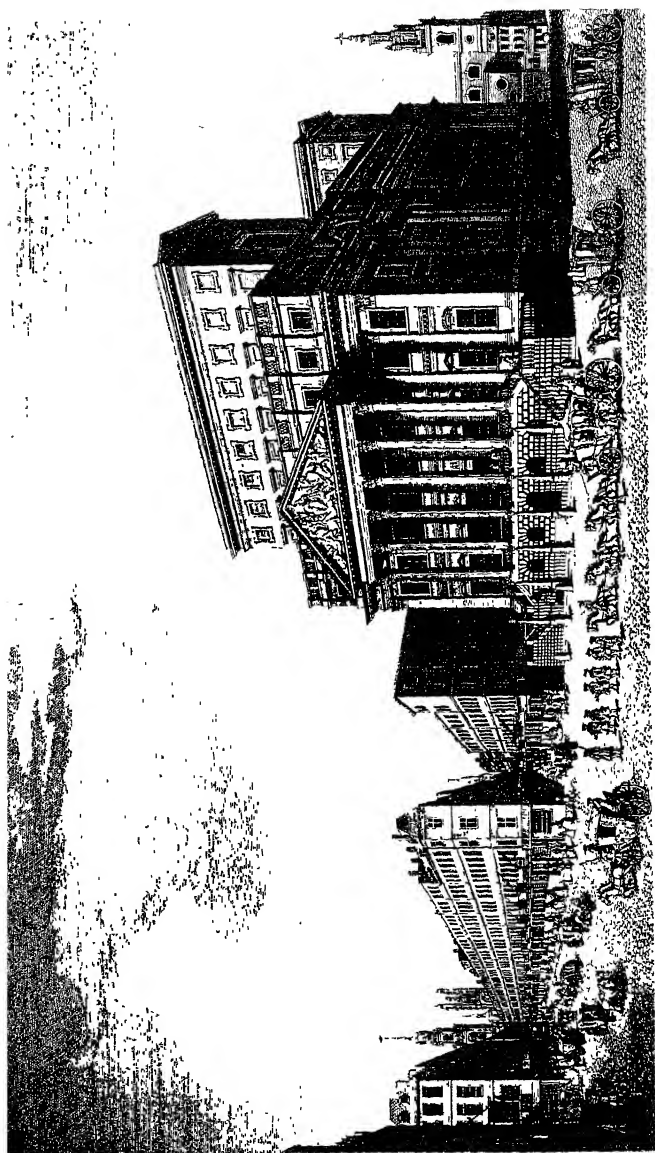
Although Glyn, as has been explained, did not originally belong to the fraternity of bankers his business connexions were of great value to the Bank in its early stages. In the course of his business as a drysalter he was dealing in dyes which were essential for the silk which

in the eighteenth century was an important English manufacture especially in Derby, Coventry, Macclesfield and parts of London. The retailers of the finished English silk and the modicum of foreign silk which was allowed to be imported were, for the most part, congregated on Ludgate Hill. Charles Lamb, with his unerring eye for the picturesque, once pointed out that among the most glorious sights of London were the mercers' shops with their brilliant display of silks. The early records of the Bank show that a large proportion of the customers were silk merchants or in allied trades — and there can be little doubt that this was the business which Glyn brought to the Bank. This is further suggested by his second marriage, three months after the Bank started, to the heiress of Mr. Robert Carr — one of the chief silk mercers of Ludgate Hill. Walpole calls him 'a fashionable mercer, who dealt in French silks'. Carr's position of prominence is implied by the fact that when the Spitalfields silk weavers rioted in protest against the sale of French silk his premises were the object of special attack. He was no mere haberdasher, being a member of the powerful family of Carr of Etal and, at the close of his life, assuming a baronetcy which had been conferred on his forebear — though never formally granted — by King Charles I. Members of Carr's family were valued private customers of the Bank from the earliest days. His daughter can be described in the words of the first sentence of Jane Austen's novel *Emma*. She was 'handsome, clever and rich'. Gossip says that the roving eye of one of George III's brothers looked on her with favour, and since Mr. Carr lived at Hampton, not far from Kew,

there might have been some attachment on the part of one of those impressionable royal youths.

In the same year that the Bank started Glyn stood for Parliament in the City of London. In those days the City returned four members to Parliament, and the issue was decided less by politics than by the repute of each candidate in the City hierarchy. In the result Glyn was narrowly beaten for the last place by Beckford, who was later to win fame as the ally of Wilkes and the father of one who has an important place in the history of English taste. Thus although Glyn's name was second in the list of partners, his position in the City, his business experience and his private fortune suggest that he must, in reality, have been pre-eminent in the partnership.

The third partner — Thomas Hallifax — was less influential than his two seniors. He had been born in 1721 so that he was in his early thirties when the Bank opened. He was born at Barnsley where his father was a clockmaker, and he was apprenticed to a grocer. The word grocer is here to be understood in the old sense of wholesaler — rather than in the modern sense of a conventional white-aproned figure weighing out sugar and biscuits. Obviously Thomas Hallifax showed conspicuous ability. Abandoning his indentures he came to London, joined Martin's Bank, and he was chief clerk there when Joseph Vere took him into partnership in 1753. Thus the Bank started, its fortunes and prosperity broadly and firmly based on the long experience of Joseph Vere, the valuable and influential connexions of Richard Glyn and the acumen and competence of young Thomas Hallifax.



Lombard Street in 1754

Lombard Street was an inevitable choice for the premises of the new business. This street, narrow and gently curving, had been the centre of the English money market since the days of the Plantagenets ; like Harley Street, Savile Row or Fleet Street, Lombard Street has given its name to a career. The most graceful of English economic writers, Walter Bagehot, has perpetuated the name in the title of his book on London as an international financial centre which even the passage of some eighty years has not outmoded.

At the time when Messrs. Vere, Glyn and Hallifax opened the Bank, Lombard Street consisted of more or less uniform houses, built after the Great Fire. They were for the most part three storeys high with the ground floor given over to the shop. It was in one of these, described in the agreement as 'the dwellinghouse of the said Joseph Vere in Lombard Street', that the Bank started. This has been identified as No. 70 — though the houses were at that time distinguished by signs and not by numbers.

Stereotyped and imposing, the houses on the main City streets concealed behind them a jumble of alleys, lanes, courts and closes. Mr. John Summerson, a distinguished writer on the architecture of London, has well described them as 'an inscrutable topographical jig-saw'.¹ A few years before the Bank started Joseph Vere's house had been damaged by fire — the terror which stalked the mind of mercantile London. For this reason it was not ideal for the purpose, and the partners were glad to take advantage of the chance of building among the 'topographical jig-saw'. A site was found

¹ John Summerson, *Georgian London*. 1945.

in one of the lanes leading off Lombard Street, called Birchin Lane, and here the partners moved in the course of 1757 — that dismal year in English history which saw both the execution of Admiral Byng and the Black Hole of Calcutta.

The new building was four storeys high. The whole of the ground floor was given over to the Bank. There was a fine front room which was 'the shop', a smaller back room and a counting-house which, being only 9 feet long by 7 feet wide, must have had certain characteristics in common with its immortal counterpart in Calcutta. The kitchen was on the first floor: the storeys above the ground floor were Joseph Vere's dwelling-place, and here also the bank clerks lodged. The shutters and the front door were plated with iron.

The desks and counters were moved from the old premises, but no doubt to mark the steadiness of business and the splendour of the new building a new mahogany desk was bought. This was 8 feet long and accommodated two clerks on each side and one at the end. It was fitted with 'exceeding good spring and tumbler locks' and cost £18. The bill from William Gomm and Son survives but not, alas! the desk.

As will be seen, the modern distinction between 'business premises' and 'private residences' did not prevail in eighteenth-century London. Within the four walls of the house were accommodated the shop, the home of the senior partner and some species of communal home life for the clerks. When this system spread in the nineteenth century to large businesses like retail shops it gave rise to formidable abuses — especially moral ones, — but in the eighteenth century, when man-

kind was perhaps better able to take care of itself, the living-in conditions for a clerk were austere but not brutalised. Mr. Joseph Vere, as senior partner, was paid for his boarding establishment by the partnership, £70 for rent and taxes, £15 for coals and candles, £25 for feeding and lodging of the bank staff, though after the move from the original premises the £70 was no longer paid as the premises were no longer Vere's private property. Naturally among the staff one or two became pre-eminent as chief clerks, who were in a position to transact business in the absence of the partners. In his will Mr. Joseph Vere left £200 to 'Mr. Alexander Carlton and Henry Mitton' (evidently the senior clerks) 'and to the rest of the Clerks and Servants above Stairs twenty-five pounds each provided they are living with me at my decease'. The principal work for the clerks at that time lay in keeping the books — there was far less interruption to their work from customers wanting to cash cheques than is the case in modern banks. This is confirmed by the bills of the Bank's stationers — Messrs. Baker and Fourdrinier — which are principally for ink by the pint, quill pens by the hundred, blotting paper for the clerks, and sand by the quart, no doubt this last for the customers. Admittedly some money bags are included in the bill, and they cost 3d. each. The bill for 1756 is reproduced in full as Appendix II.

Inevitably details of the business transactions of those distant days have not survived. (A rough calculation, based on the sheets of small post paper used, suggests that some 35,000 cheques were printed in 1756.) One important distinction can, however, be drawn. The

early customers of the Bank — and this was natural for a bank placed in the City — were business men, and the main functions of the Bank were the provision of money for the financing of commerce, and facilities for legitimate Stock transactions through a knowledge of the ruling markets. During this early period the stock-jobbers still carried on their dealings in such marketable securities as existed in the various coffee-houses around Change Alley much as they had done during the time of the South Sea Bubble. It was not until 1772 that a Stock Exchange was built near the Royal Exchange 'in imitation of Jonathan's, for the Bulls and Bears to play their tricks in'. There were, of course, bankers in the West End of London — such as Messrs. Drummonds and Messrs. Coutts (then in St. James's Street) — who enjoyed a far more exalted patronage among the nobility. It would not be unduly censorious to say that much of the gold of these last-mentioned establishments was the foundation for the gaiety of London life, and for the agreeable rattle of the dice in the gaming-room at White's. Certainly it was broadly true that a City banker would not lend on mortgage — the common security of landed families — while a West End banker would not discount a bill — the usual method of paying for a commercial transaction.

There was, of course, a wide gulf fixed between the world of fashion and the great mercantile stronghold to the east of Temple Bar. Horace Walpole, who kept his account with Mr. Drummond at Charing Cross, would as soon have thought of banking in Lombard Street as of getting his suits made at Twickenham. But this did not mean that the City bankers were less respectable or

gentlemanly than those who happened to have their shop in the West End. Nor indeed had the awful bogey of trade and business, which cast its alarming shade across the genteel imaginations of the Victorians, arisen to disturb the social life of these islands. In the eighteenth century it was not considered shabby to live on a fortune in Lombard Street but respectable to live idling on an overdraft in Jermyn Street. Many men of good family lived in the City and they were not regarded as socially undesirable on that account. A friend of Dr. Johnson once remarked that in this country we had been spared the chimerical distinction between a gentleman and a merchant which characterised the French. At the same time it is true, as Professor G. M. Trevelyan has pointed out, that the friends of Johnson, Burke or Horace Walpole, a highly civilised and well-established circle, could think only in terms of politics and the arts.¹ The City and business were something almost outside their experience and comprehension.

But although Joseph Vere, Richard Glyn and Thomas Hallifax may not have discussed politics with the range and philosophic vision of Dr. Johnson and his intimates, or with the detachment of those who dined with The Club, they had a very earthy understanding of what was going on around them. For they started the Bank after a long period of stability when Henry Pelham — not one of the shining names among the Prime Ministers of England, but a competent financier — had been able to reduce the national debt by a consolidation scheme and could point to the price of the 3 per cents, which stood at more than 106, as a tribute to the power of British

¹ G. M. Trevelyan, *History of England*. 1926.

credit. Indubitably the country was rich, and there was an abundant supply of capital seeking investment. The nation was on the verge of the appearance of the nabobs, of all the development in house building and landscape gardening which caused Horace Walpole to ask 'How long is this exuberance of opulence to last?' Pelham died two months after the Bank opened, and under the lead of Newcastle and Pitt the country had to face the shock and eventual triumph of the Seven Years War, with countless new opportunities for commerce in America and India resulting from conquest. It was no coincidence that in 1740 James Thomson had sung of the benign consequences which followed from the fact that Britannia Ruled the Waves. Our principal European rivals had watched their fixed capital devastated by war and invasion: the fixed capital of England, on the other hand, was secure, so that new capital was able to satisfy the demands of scientific agriculture and of industrial improvement. During the second half of the eighteenth century there was a demand for capital in England on every side, and this explains the rapid expansion of banking in those years. Though these figures are not precise, there were only twenty or thirty banking firms in London in the 1750's, and by the 1770's there were fifty. Edmund Burke has lent force to this point in his *Letters on a Regicide Peace*. Writing of the time when he first came to England, which was 1750, he said that there were not 'twelve bankers shops at that time out of London'. He added that forty-five years later they were in every market town, and that this demonstrated 'the astonishing increase of private confidence, of general circulation and of internal commerce'.

No doubt Messrs. Vere, Glyn and Hallifax were fortunate in launching themselves at the moment when the tide was moving steadily and powerfully towards those pleasant waters where private exertion brings great rewards. Yet if something be attributed to good fortune, something likewise must be attributed to the perspicacity and courage of those early partners. Many economic writers have sought to explain and systematise the ups and downs of trade, and although these 'respectable professors of the dismal science' are today more widely read than in former times, they do not appear to have made any substantial advance towards their goal. Perhaps the English historian, Sir Charles Grant Robertson, comes nearest to the mark when he suggests that the most potent cause of success in commerce is to be found in 'the unanalysable but invincible commercial spirit and aptitude' which is 'as difficult to account for in its waxing and waning as the efflorescence of artistic genius'.¹ Certainly the military and naval triumphs of eighteenth-century England, as well as the literary and artistic genius of the age, derived much from the City of London, and among a host of neglected and forgotten names those of Joseph Vere, Richard Glyn and Thomas Hallifax deserve their niche in history.

¹ Grant Robertson, *England under the Hanoverians*.

CHAPTER TWO

THE PANIC OF 1772

THE first few years of the Bank's history were smooth and uneventful. In 1759 the then Prime Minister drew up a list of what he called 'the most knowing people in the City'.¹ Although Mr. Martin's name is there, none of our friends appear in the list. But the Bank prospered even if the partners were not as yet widely known.

The original partnership agreement was for seven years. Under its terms the capital was £24,000, Joseph Vere and Sir Richard Glyn each providing £10,000 and Hallifax £4000, the profits and losses being shared in those proportions. The accounts were to be made up each year on December 24th to enable a profit-and-loss account to be drawn up, and on that date they were to 'put a value upon their Bad or Desperate Debts if any'. The efficiency of modern times seems to have been somewhat lacking, however, as it appears according to later evidence that 'from the multiplicity of their affairs and they not being able to ascertain their good and bad debts, and by reason of little mistakes arising in the balancing of accounts, it seldom happened that the Annual Account was finally settled till some months afterwards'.

Business in those times triumphed even over the

¹ Namier, *Structure of Politics at the Accession of George III.*

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spirit of Christmas, for it was customary throughout the eighteenth century to balance the accounts at Christmas time. Not till 1823 was December 31st fixed for the balance of the Christmas quarter.

When this first partnership agreement came to an end in 1760 with the accession of King George III, a new agreement was drawn up but it was never signed, possibly because Joseph Vere, who was then over 60, could not make up his mind if he wished to continue in the business. Under the new terms the capital was reduced to £16,000, Vere and Glyn providing £6000 each and Hallifax continuing his £4000. This draft document contained the form of words, customary in partnership agreements, that the three men 'shall be just and true each unto the other'. Certainly that spirit of confidence — not easy to maintain among business associates as a mountain of litigation proves — marked the partnership from the start. At the end of 1765 Joseph Vere's health deteriorated and he died in the following spring. His executors were his cousin Charles Vere (who, after spending most of his life selling Bow and Chelsea porcelain in Fleet Street, was the founder of Williams Deacon's), and a solicitor and Thomas Hallifax. A technical question over the profit-and-loss account — which was complicated by the deed of 1760 never having been signed and the business being carried on under a parole agreement — had to be submitted to the Court of Chancery, and Lord Chancellor Camden decided the matter against the surviving partners. This case showed that for the first six years of the Bank the total bad debts amounted to only £450 — a tribute to the acumen of the founders. Nor was there any

considerable increase in the bad debts until 1765 — a difficult year in the City due to the adjustments brought by peace after the costly Seven Years War. In that year there were two substantial sums lost by the Bank — one of £2000 to Thomas Horsfall, which was made good a few years later, and one of £4500 to Thomas Maclane, a merchant of Lime Street. He had borrowed £2000 on his own note, £500 on a note of Anthony Bacon the Norfolk bankers, and he overdrew his account £2000. He then absconded, and over the next thirty years dribbles of the money were repaid. These setbacks were what Dr. Johnson once called 'the spirited hazards of trade and commerce' and the Bank was fortunate in passing its infancy with only a minimum of them. The net profit even for the bad year of 1765 would seem to have been in the neighbourhood of £3700.

In the meantime Glyn strengthened the repute of the Bank by his successful career in public life. He was Lord Mayor in 1758-9 and in that year received the unusual distinction for a City man of a D.C.L. at Oxford. The University at that time was in the grip of Jacobite feeling — sentimental, impractical but strong — and the ceremony for the honorary degrees coincided with the installation of the somewhat reactionary Lord Westmorland as Chancellor. Horace Walpole, after tilting at what he called the retinue 'be James'd with true blue ribands', adds 'they dragged down the present Lord Mayor to Oxford, who is only a dry-salter'. The fame of Messrs. Vere, Glyn and Halifax would not seem as yet to have penetrated to the Gothic fancy of Strawberry Hill. The explanation of Sir Richard's presence at Oxford on this occasion seems

to be that there was precedent for giving the Lord Mayor an honorary degree at the installation of a new Chancellor.

In the previous year, almost simultaneously with his taking office as Lord Mayor, he was elected to the House of Commons for the City at a by-election. At the General Election which followed the accession of King George III, he was again elected, being second of the four men who were chosen. In those happy times, when humbug was at a discount, men sought election to Parliament not so much 'to serve their constituencies' as to serve themselves. Membership for the City was in the nature of a small but welcome bonus on a successful career. Undoubtedly there were great attractions in the House of Commons for business men — notably that much of the large disbursements by the Government were farmed out and there were important emoluments for steady supporters of the Administration. Members of Parliament were entitled to free postage, and this was a very important concession — especially for bankers with a large country connexion. It was calculated in the 1760's that this concession was worth as much as £800 a year to a firm of bankers.¹ But Sir Richard Glyn — patriotic and independent — was not the type of man to smother his views in order to cling to a place in Parliament — even if the attractions of it were obvious. He became increasingly out of sympathy with the political developments in the City during the 1760's when Wilkes, Beckford and his namesake Serjeant Glynne (of the senior branch of the family) attempted to revive the old position of the City as the

¹ Namier, *Structure of Politics*, vol. i, p. 71.

pre-eminent power opposed to the King. In the election of 1768, which resulted in two prominent Wilkes supporters out of the four being chosen, Glyn was not successful, just failing to get the fourth place.

He was, however, speedily diverted to Coventry — an extremely corrupt and expensive constituency which became a species of banker's pocket-borough. Coventry was one of the centres of the silk industry, and it was probably the silk interests of the Bank which brought Glyn and Coventry together. The Corporation at Coventry, rather like the Corporation of the City of London, was strongly Whig, but the majority of freemen (with the help of a little financial encouragement) seem to have had no difficulty in voting against the Corporation. Yet it would not be right to label Glyn a strict Tory, for party definitions were blurred at that time, and the dividing issue in 1768 was between those who supported and those who opposed the catchpenny cry of 'Wilkes and Liberty'. Glyn was in fact a moderate, antagonistic to Wilkes and antagonistic to the violent views of Coventry Corporation. He was opposed at Coventry by a linen-draper from London called Nash, and he fought his election on a strange medley of slogans: 'No Corporation Slavery!', 'No Nash!', 'High Church!', 'Glyn and Liberty!', 'Now or Never!' He was triumphantly successful, receiving 925 votes against 512 for Nash.

The intrigues resulting from Glyn's adoption for Coventry nearly led to the resignation of the Prime Minister — the vain and headstrong Duke of Grafton. A member of his Government, Lord Hertford, who lived near Coventry and had great influence there,

supported Nash. He invited Grafton to use the power of Government against Glyn and he simultaneously invited the Secretary for War and the First Lord of the Admiralty to arrange that the soldiers' and sailors' votes in Coventry should go to Nash. (In those happy times the service vote was as disciplined as the men themselves.) Grafton went to the King and said that he would resign, although Lord Hertford humbly apologised for having interfered with the soldiers' and sailors' vote. But Grafton said that he would not accept the apology unless Glyn was satisfied that the Government, who had promised him their support, had not intentionally gone back on their word.

On the day after his election Glyn was borne throughout the streets of Coventry in a splendid chair, lined with white satin, ornamented with a canopy and a plume of feathers. The chair was decorated with blue and white ribbons. He was escorted by his principal supporters through every street with bands playing and the church bells ringing. The spectacle — though it was doubtless gratifying to the feelings of Glyn's supporters — was not exactly elegant. The new member for Coventry was burly, with a decided tendency to aldermanic corpulence, and reclining in his white satin chair must have looked like some Roman Emperor of old returning from a banquet. He must have shown to better advantage when he stood before his drysalting premises in Hatton Garden, with his appropriately emblematic sign of the Three Tuns creaking above his head in the wind. In the year after his election for Coventry he voted in favour of the expulsion of Wilkes from the House of Commons.

Outside his own business concerns he was one of the founders of the Equitable Life Assurance, and he was also a director of the Million Bank which had its origin in the Million Lottery Loan of King William III. He was President of Bridewell and Bethlem Hospitals from 1755 until his death. He stood out conspicuously among his contemporaries as a warm-hearted patriot. At the end of his time of Lord Mayor, which it will be remembered took place during a difficult phase of the Seven Years War, the Court of Common Council had no difficulty in fastening on one outstanding aspect of his mayoralty to which they alluded in the customary formal resolution of thanks, namely the Lord Mayor's 'generous patronage and assistance to the loyal endeavours of the Citizens of London, to strengthen the hands of Government against the meditated efforts of a desperate though vanquished enemy'. (This was the year when the ports of northern France were filled with troops for the invasion of England.) Glyn certainly deserves some of the credit for the steady and unflagging support given by the City to the Government during the anxious years of this war. As a mark of appreciation by the King he was created a baronet without the payment of the usual fees, the intimation being conveyed in the following letter, dated September 23rd, 1759 :

MY LORD,

I have the honour to acquaint your lordship that the King has been graciously pleased to sign a warrant for creating you a baronet. No one can feel a more sincere and sensible satisfaction than I do at this public mark of his Majesty's entire approbation of the zeal and affection of the

City, and of the very distinguished part your lordship has taken at the head of that great body, for the support of his Majesty's person and government in the present critical conjuncture.

I have given directions for the patent being carried through the several offices with all dispatch, and without putting your lordship to any trouble in employing a person for that purpose.

I desire you will be assured that I shall ever esteem myself happy, on all occasions, of testifying the particular regard and respectful consideration with which

I am, my lord,

Your lordship's most obedient and

most humble servant,

W. PITT.

Afterwards, in famous words, Pitt acknowledged his debt to the Court of Common Council when he wrote, on leaving office :

It will ever be remembered to the glory of the city of London that through the whole course of this arduous war that great seat of commerce has generously set the illustrious example of steady zeal for the dignity of the crown and of unshaken firmness and magnanimity.

He was Vice-President of the H.A.C. and Colonel of the Orange Regiment of the City Militia. He loathed the French and was a prominent member of one of those weird Anti-Gallican Societies which existed to keep alive the remembrance of the victories of the Seven Years War, to alarm the manufacturers about the threat to English trade from French imports and to provide an innocent excuse for sermons, processions and feasting.

The splendid painting of Sir Richard by Zoffany,

which now hangs at King Edward's School at Witley, shows him as he was — sturdy, humorous, a shade unimaginative but completely trustworthy. The Bank was indeed fortunate to have such a resolute and distinguished personality in the parlour during its formative years, and it is disagreeable to record that the closing months of his life should have been touched by misfortune.

The success of Glyn's career was, to some extent, matched by that of Hallifax. Supported by the sustained affluence of the Bank, he had been able to pursue a course of some prominence in City politics. As a banker he was naturally a member of the Goldsmiths Company and in the 1760's he was elected to the Livery. This was a small body, chosen by the freemen of the Company, to act as a committee of management. He was elected Prime Warden or Master of the Company in 1768. This position was often a training ground for potential Lord Mayors. Certainly Hallifax filled the office of warden with much distinction. The Company entertained the King of Denmark in the early autumn of 1768, and Hallifax presided over the festivities with aplomb. Unfortunately no record has survived of what he thought of his guest — a diminutive but vicious sovereign. He was called King Christian, but his behaviour in London was so conspicuous that he was more fittingly and generally known as 'The Northern Scamp'. Hallifax was elected Sheriff of the City in the same year. In politics he was rather more advanced than his senior partner Sir Richard; he might be called a left wing Whig. In 1762 he married Miss Penelope Thomson, who brought £20,000 with her. She lived



Sir Thomas Hallifax
Detail from a painting by Miller 1782

less than a year after marriage, and, apart from her tombstone, the only trace of her which survives is her name, neatly but rather sacrilegiously penned, in the middle of a handsome missal of the fourteenth century. After ten years as a widower Hallifax decided in 1772 to marry again, choosing this time a well-connected co-heiress, the daughter of Mr. John Savile of Enfield.

But now, in the summer of 1772, the two partners — each wealthy and respected, the senior with a distinguished career behind him, and the junior on the threshold of public dignities and fortified by the expectation of domestic felicity — had to face the unheralded and unwelcome spectre of financial panic.

Possibly they should have been conscious of portents. But in those days of uncertain communications it was difficult, even in Lombard Street, to gather up the tremors and uncertainties which were afflicting the other financial centres of Europe. In 1776, four years after the crisis, that wise old master of economic law — Adam Smith — published *The Wealth of Nations*, and he pointed out that after the end of the Seven Years War — hostilities had finished in 1763 — there had been a superabundance of trading on borrowed capital. In this connexion he particularly drew attention to the damaging consequences of the circulation of chains of bills. A simple example of this chain was when a silk manufacturer in Derby drew a bill on a London mercer. When the bill fell due for payment the mercer (instead of paying in cash) drew a second bill in favour of the Derby manufacturer, thus continuing the debt. Credit was plentiful, and the banks and even the Bank of England encouraged this kind of transaction.

The practice, in the somewhat juvenile slang of the City of London, is still called 'kite-flying'. The poet Pope gave the practice a sharper edge when he wrote in 'The Use of Riches'—

Pregnant with thousands flits the scrap unseen,
And silent sells a King or buys a Queen.

The creation of paper credit at this period was unquestionably perilous, though it was to some degree justified by the demand of British agriculture for capital and the expansion of industry, which marked the dawn of the Industrial Revolution. This was particularly true of Scotland, where the political convulsions of the seventeenth and early eighteenth centuries had left the nation poor and in dire need of capital for industrial development. Many English people at that time looked on Scotland as an uncouth and indigent neighbour. They would have wholeheartedly agreed with Samuel Johnson — that scourge of the Scots — that the 'noblest prospect' seen by the inhabitants of that then distant land was 'the high road to England'. A few years after the end of the '45 a handful of far-sighted English industrialists saw the possibilities of developing industry in Scotland. Prominent among them were John Roebuck, the doctor turned industrialist who played an important part in the development of smelting iron-ore, and the great Birmingham industrial family of Garbett. They chose a site on the river Carron, just above the Firth of Forth, for their works, and here the famous Carron works started in 1760.

With this concern Messrs. Glyn and Hallifax were somewhat intricately connected. One of the founders

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of Carron, Samuel Garbett, also started a small establishment near-by to deal with the shipment of goods. This was known as Garbett and Co., and though not technically a subsidiary of Carron, was closely linked with that Company. By the end of the 1760's the active spirits in this Company were Samuel Garbett's son Francis and his son-in-law Charles Gascoigne. These two opened an account with Glyn and Hallifax and secured Mr. Samuel Garbett as guarantor, as the following letter shows :

Birmingham Jan 4 1769

Messrs. Glyn and Hallifax.

Gentlemen,

Mr. Gascoigne acquainted me that my son and he propose to open a Correspondence with you as their Bankers to Francis Garbett and Co. and I do at their request write to you that notwithstanding my Name is not now used in their Firm, and that I have given up my interest in that Trade to my sons, yet I do notwithstanding engage to be accountable to you for every Transaction you may have with them in the same manner as tho' my name was actually used in the Trade.

I am, Gentlemen,

Your most humble Servant,

SAML. GARBETT.

The Company also made over to Glyn and Hallifax five smacks, a brig, two sloops and a snow in addition to two-thirds of a larger ship, the *Nancy* of Carron. In those robust times the banker did not merely confine his operations to the comfortable calculations of counting-house and parlour, but he was often directly concerned with more active trading. And just as Glyn and Hallifax

became, to a limited extent, shipowners, so the Bank of England, as a result of the crisis of 1772, was teased for twenty years with the management of a sugar plantation in the West Indies.

As an additional security, fifty-five out of the original Carron shares, then valued at £250 each, were assigned to Messrs. Glyn and Hallifax. The whole venture was somewhat risky. Gascoigne, who had been a London drysalter, was the link between Carron and the Bank. He was undoubtedly somewhat rash and headstrong, so that the Carron Company and the respectable Garbetts began to rue his dominance over their affairs. By 1771 he was in sole charge of Garbett and Company. In the end he had to flee the country, and he finished his career by winning the favour of that formidable lady, the Empress Catherine, and by manufacturing cannon for her at Petrozadovsk on Lake Onega. Returning to Scotland he was recognised by his creditors and was obliged to escape to Sweden in a fishing smack.

These rather Ruritanian connexions of the Bank involved it in heavy losses. But if Sir Richard and Mr. Hallifax were to some degree culpable in these affairs they were attempting to direct capital where it was direly needed. In common with many London bankers they were heavily committed to the financing of Scottish industry still in its infancy, and the exceptional pressure from Scotland was the immediate cause of the crisis which struck Lombard Street in the early summer of 1772. Horace Walpole said that £15,000 a week was passing between England and Scotland and that the Scots 'made specie scarce here and had prodigiously raised their manufactures'. This Scottish speculative

mania provided the explosive material for the crisis, but the train was fired by the sudden failure, on June 10th, of the London banker of Scottish extraction, Alexander Fordyce. He was one of four remarkable brothers who figured conspicuously in the intellectual life of the eighteenth century, and although his folly ruined him he faced disaster with courage, and he may be taken as the prototype for all those banking failures which were to enliven the pages of Victorian novelists—and of the history of the City of London—during the next hundred years.

Like all devastating explosions the failure of Fordyce was followed by a short period of calm. The news was carried to Edinburgh on horseback in the record time of forty-three hours, but by the time that the Scottish repercussion had come back to London the consequences were generally disastrous. Twelve days later, on June 22nd, the City was in the grip of panic, which recalled some of the worst days of the South Sea Bubble. On the following day the *Evening Post* came out with a lurid paragraph, which found its way into most of the respectable monthly journals of the time.

It is beyond the power of words to describe the general consternation of the metropolis yesterday. No event for these thirty years past has been remembered to have given so fatal a blow to both our trade and credit as a nation. An universal bankruptcy was expected; the stoppage of every banker's house in London was looked for. The whole city was in an uproar: the whole city was in tears. This melancholy scene began with a rumour of one of the greatest bankers in London having stopped, which afterwards proved true.

The banking house alluded to in these flattering terms was Glyn and Hallifax, but it is exceedingly difficult to establish exactly what happened. It is certain, however, that Glyn and Hallifax stopped payment on June 22nd and that, on the instance of a creditor, a commission of bankruptcy was issued against them, in common with others who were in a much worse plight. But the stoppage was purely temporary, and though they did not resume payment until August 6th contemporary press reports suggest that they could have done so as early as June 30th if it had not been for a technical hitch. No compositions were made with their creditors, all of whom were paid in full. No financial assistance was received direct from the Bank of England and what, today, would be regarded as small sums, amounting only to some £40,000 in all, were advanced by private persons. These were all paid off in about eighteen months. Furthermore, Sir Richard Glyn was not obliged to resign his seat in the House of Commons and a few months later Hallifax was knighted.

It would appear, therefore, that the incident really amounted to a temporary shortage of cash, a situation which in a later age would probably have been avoided by equally temporary assistance from others. Nevertheless for a period they did cease payment, and although the disaster can be explained it cannot be disguised. In addition to their liabilities with the Carron Company they had strong business connexions with several Scottish banks — and in particular with the Ayr Bank and with William Alexander of Edinburgh. The Ayr Bank had been started in defiance of all prudence in 1769 to increase the credit facilities for Scottish

industry. Behind this concern were a number of hard-headed Scottish landowners, and it is said that after the crash almost the entire county of Ayr changed hands. It was believed at the time that Glyn and Hallifax had accepted and discounted Scottish bills to a total of some £100,000.

Even making all allowances for the changed value of money, the reader will see that the liability of Glyn and Hallifax was by no means stupendous. The Bank of England might have been able to help if it had not been that they were preoccupied with the affairs of the East India Company. The stock of the Company, owing to the activities of Dutch speculators, had been inflated during the 1760's and it had become known as 'a fluctuating and gaming stock'. That illustrious House — whose fortunes are historically intertwined with those of the City of London and whose services are strangely forgotten today — found that its prosperity was broken as a result of Hyder Ali's military triumphs in the Carnatic in the late 1760's. When news of these Indian triumphs reached London East India Stock fell by 60 per cent. In times of financial difficulty the Bank of England had always turned to the Company for support. In 1772 matters were reversed, the Company leaning on the Bank and being at last obliged in the summer of that year to beg from the Prime Minister a loan of £1,000,000 as the only alternative to ruin. All the political consequences of this abject solicitation for cash, the tottering structure of British rule in India and the ringing speeches of Burke are, like the suicide of Clive, which was associated with it, outside the range of this book. But the decrepit fortunes

of the East India Company at this time were not without their effect on the solvency of Glyn and Hallifax.

Even in those days the publicity attending a matter of this kind must have been highly distasteful to the two partners and to the clerks working in the Bank. The more respectable journals conveyed, but scarcely concealed, the news with a generous sprinkling of asterisks, for no one had any difficulty in understanding what was meant when they read B*NKR*PTS — Sir R. GL*N and Alderman H*LL*F**. The *Morning Chronicle* conveyed the news in nautical language and announced that *The Sleepy Dick* (Captain G . . n) and the *Lame Duck* (Captain H x) foundered near Election Gulf. Anyone glancing at the reproduction of Zoffany's painting of Sir Richard will see that his description was not ill-chosen. 'Lame Duck' is a term used on the Stock Exchange for a defaulter, and the reference to Election Gulf is explained by the fact that Hallifax was standing for Lord Mayor that autumn.

Inevitably, little has survived of the feelings of the two men most concerned. The *Morning Chronicle* recorded that, three days after the failure of Fordyce, Alderman Hallifax passed through Canterbury *en route* for a family holiday at Margate with his future wife and father-in-law. The seaside as a cure for every conceivable mortal ill had just become fashionable and Hallifax, like many of his contemporaries,

Rush'd coastward to be cured like tongues,
By dipping into brine.

While it is possible that the excursion to Margate was undertaken to allay suspicion, it seems more pro-

bable that coming as it did, on the heels of the Fordyce failure, it shows that the partners were quite unaware of the disaster which was rolling towards them from Scotland. About Sir Richard Glyn the papers are reticent, except that he was involved in a scuffle with a Birchin Lane tailor at an election meeting of the H.A.C. of which he was Vice-President. The tailor and the banker summonsed each other for assault, and it seems likely that the anxieties of business had somewhat disturbed Sir Richard's usual phlegmatic habit.

During the next few weeks there were many rumours that Glyn and Hallifax were about to open again. Mrs. Rogers, the wife of a banker and the mother of the poet Sam, wrote to her husband to say that 'Sir Richard Glyn's House is about to re-open with my Lord Mayor¹ at its head'. As early as June 30th the *London Evening Post* announced that 'the Commission of Bankruptcy against Sir Richard Glyn and Thomas Hallifax Esquire will be shortly superseded'. Throughout July the supersession of bankruptcy was imminently expected. One reason for the delay was that every creditor who proved a debt had to sign the petition to the Lord Chancellor for the supersession of bankruptcy. One of these creditors had gone off for a six weeks' holiday, leaving instructions that he should not be disturbed and concealing his address even from his servants. This caused further delay until — purely by chance — this creditor was found in Portsmouth. His signature obtained, the supersedeas was granted on August 5th. The Bank reopened for business the

¹ William Nash, a Salter, who had been associated with Hallifax as an opponent of Wilkes, but had no banking connexion.

following day and, on August 8th, the *London Evening Post* announced, 'We are informed that Messrs. Glyn & Hallifax have paid all bills that have been presented to them and are ready to pay all demands, with interest as they shall be tendered'.

As has already been explained, the Bank of England were not in a position to make direct advances to Glyn and Hallifax. Indeed the *London Evening Post* stated that on the day of Glyn and Hallifax's stoppage it was generally expected that the Bank itself would stop payment. However, as the wave of panic subsided the Bank was able to render Glyn and Hallifax signal service in two particulars. First, a special account was opened at the Bank by which means Glyn and Hallifax could keep pace with urgent business. Secondly, in July when things were steadier the Bank lent about £150,000 to William Alexander of Edinburgh. This enabled that firm in turn to pay back a part of their indebtedness to Glyn and Hallifax.

But in the last resort Glyn and Hallifax were saved by that blend of good feeling and sound sense which has been the distinguishing mark of those who have prospered in the City of London. Hallifax's father-in-law, John Savile, lent the House £8500 at the low rate of interest of $2\frac{1}{2}$ per cent. At the same time Mr. William Mills came forward with the sum of £10,000. Mills's father had been a clerk in the Court of Chancery, in the happy, carefree times when it was customary and not discreditable for clerks to speculate with the fortunes of those unlucky litigants whose money had been thrown into Chancery. William Mills had inherited from his father £1500 on coming of age, and he supplemented

this by marrying the only child of Sir John Salter, Lord Mayor of London, who owned a pleasant estate at Willingale Doe in Essex which Mills eventually inherited. Also through his father-in-law, who supplied much of the goods traded to India, he became prominent in the Orient trade. His wife and only daughter having died, he was in 1772 wealthy but lonely. He is supposed to have advanced the £10,000 to Messrs. Glyn and Hallifax on condition that he came into the partnership, and that in addition his nephew Charles should come in also. He was paid 5 per cent on his loan, and he became a partner when the Bank reopened with the triumvirate of Glyn, Hallifax and Mills. Thus began the long and distinguished connexion of the Mills family with the Bank. While it is possibly characteristic of this family that they were rather providers of funds than active managers of the concerns of the Bank, their extensive knowledge of trading conditions abroad (especially through the East India Company) was invaluable to the partnership.

Finally, the 3rd Lord Middleton provided the useful sum of £20,000. Lord Middleton, the third peer, belonged to the rich and powerful family of Willoughby, with substantial political influence in Nottingham and the Midlands. His father had banked with Smith of Nottingham and, with the aggrieved innocence of many a bank's customer, complained that that Bank employed his money to their own profit, 'leaving it dead to me'. The 3rd Lord Middleton, who was not married, was evidently a man of pleasure, and it was at a large ball, given by him, that Lord Pembroke eloped with the courtesan, Kitty Hunter, an episode

which formed one of the most spectacular scandals of eighteenth-century England. Lord Middleton was described by Charles James Fox's mother as 'odious to be sure'. What brought this raffish character into the sober company of Sir Richard and Alderman Hallifax cannot now be established.

The most probable explanation is that being a very wealthy man he used the Bank as a channel for safe investment. In 1762 Lord Howe, the victor of the great naval battle fought on The Glorious First of June, wrote to Messrs. Vere, Glyn and Hallifax, in reference to a mortgage of £20,000 which he had executed in favour of Lord Middleton. There are also other indications that the Middleton family — possibly exasperated by the stringent habits of the Smith Bank at Nottingham — used Glyn and Hallifax as a means of lending money and, through the machinery of the Bank, of securing their interest as it fell due. In this way Lord Middleton's sister-in-law in the 1780's was collecting interest on £20,000 which she had lent to the City Alderman and Member of Parliament, James Townsend, on £10,000 to Lord Craven and on £10,000 to Sir Joseph Banks — the famous traveller and explorer. The Middleton family — and there may well have been others like them — without being actually partners in the Bank were perhaps glad to avail themselves of the facilities of Lombard Street for private loans. Messrs. Glyn and Hallifax may have done this the more readily since they were (as has already been explained) geographically placed in the City where the principal character of their business was the financing of trade.

When the first force of the crisis had expended itself

THE PANIC OF 1772

the *Gentleman's Magazine*, with characteristic morality, published this paragraph : 'Such are the effects of gaming in Change-Alley — a vice more fatal in such a trading nation, than all the sharpening at Newmarket and all the shuffling at Arthur's and which loudly calls for effectual interposition by the legislature'. Other voices were raised with the suggestion that everybody should be compelled to bank with the Bank of England. But no particular disgrace seems to have attached itself to Glyn and Hallifax — people viewing their misfortune as a temporary embarrassment — and their public careers were continued unhampered.

But some of the consequences of the stoppage were not lightly brushed aside. The complicated tangle of business with the Carron Company and Messrs. Garbett was not finally unravelled until 1819 — nearly half a century later. The affairs of Carron were for many years in low water and the Bank, owning some fifty-five shares in the Company, was always concerned lest they should become forced into the position of a partner in a concern which some people regarded as doomed. The whole debt was comprised of the following items :

1. Bills drawn by Messrs. Francis Garbett and Co. themselves on Messrs. Adam and Wiggan, London £14,500.
2. Bills received by them from Mr. John Adam, which were partly his own drafts on William Adam and Co. : but chiefly endorsements of the drafts on other people on London £29,379.10.
3. Bills received by them from Messrs. Gibson and Balfour, partly their own drafts on

GLYN'S: 1753-1953

- Messrs. Biggar and Co., London, and partly bills to their order, drawn by the said John Adam on William Adam and Co. £4,130.
4. Bills received by them from Messrs. Thomas and William Parker, being their own drafts on Mr. Charles Broughton £2,290.

The sum of money involved was certainly large, and the refinements of interest, complicated by the Bank having drawn the dividends on Carron stock, afforded a financial puzzle which gave profitable employment to many Scottish accountants and Writers to the Signet. Thirty years afterwards Samuel Garbett complained that the interest on the debt was larger than the principal debt. At the beginning of the nineteenth century Sir Richard Glyn's son was ordered to produce the relevant ledgers, but he explained that the only storage place available to the Bank was damp and that some of these ancient archives had become illegible. At the time of Trafalgar things seemed moving to a satisfactory ending, and the partners decided that the time had come to give their Scottish agent 'a compliment of plate' — probably a fine example of Regency craftsmanship by the great City silversmiths, Rundell and Bridge. The business was finally satisfactorily settled four years after Waterloo.

The whole topic of the 1772 crisis was naturally rather distasteful to later generations in the Bank. Seventy-five years afterwards a reputable writer, engaged on a history of the Bank of England, very civilly wrote to Glyn's to know if he might make some reference to the events of 1772. He explained that they provided the first instance of the failure of bankers in

THE PANIC OF 1772

London. He received the following answer, an interesting example of the frugality of bankers.

Lombard Street,
July 12, 1847

J. Francis, Esq.

SIR, We are obliged by your note and we should certainly prefer that the paragraph to which you allude should not appear in print and shall therefore thank you to omit it. We shall be glad to have a copy of the work when published.

We are, Sir,

Your most obedient Servants,

GLYN, HALLIFAX, MILLS AND CO.

Still later a friendly if officious clerk in Coutts's Bank sent a letter of 1772, which contained some reference to Glyn's failure, to Sir Richard's grandson — the first Lord Wolverton. He noted on the back of the letter that the affair caused great commiseration in the City for his grandfather — especially as Sir Richard and his wife were both very popular. With commendable family loyalty he added, 'Alderman Hallifax was not so popular'.

CHAPTER THREE

AN ALDERMAN'S BATTLES

ALTHOUGH Alderman Hallifax may not have been so popular among the worthies of the City of London as was Sir Richard Glyn, the Bank had every reason to be grateful for his energetic sway in Lombard Street during the 1770's and 1780's. Indeed the history of the Bank during the next seventeen years is very largely the history of Hallifax. This is primarily explained by the death of Sir Richard Glyn, which took place on New Year's Day 1773. His death, following so closely on the disastrous summer of 1772, gave rise to the inevitable rumour that he had taken his life. He was attended in his last illness by the famous City doctor, Pitcairn, who was the physician to St. Bartholomew's Hospital with which Glyn was closely associated. Pitcairn had made his name by the judicious use of opium in cases of fever. But on Sir Richard this palliative (if tried) was unavailing, and in order to quash the rumour of suicide Pitcairn published a statement in the newspapers that Glyn had died 'of a slow fever'.

Sir Richard had three sons who reached maturity. His eldest son inherited the baronetcy and the property at Ewell in Surrey which had been derived from his mother — the Lewen heiress. The dividing line between those who owned land and the inmates of

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'Lombard Street was in those times absolute. Pope drew attention to this, though the bitterness of his language has no significance in the annals of the Glyn family.

Boastful and rough, your first son is a squire ;
The next, a tradesman meek, and much a liar.

There was no question of Sir George, with his hereditary title and acres, succeeding Sir Richard in the Bank, and Sir George's son more emphatically distinguished himself from his banking relatives by a decision to take Holy Orders. The seat of this family was for many years the agreeable rectory at Ewell.

Sir Richard's second son, Richard Carr Glyn (the elder of the two sons by the second marriage), had been born in 1755. In old age he used to tell his own sons that he was finishing his education in the Loire country when news reached him of the failure of his father's Bank. He hurried home, and at the age of 17 he found himself, on his father's death, the obvious choice to inherit the Glyn share of the banking business. His younger brother, who was then only 16, was subsequently a distinguished officer in the Army — Colonel Thomas Glyn of the Grenadier Guards.

A month after his father's death Richard Carr Glyn was 18, and his name was thereafter joined in the title of the Bank, though naturally for several years he was feeling his way. The third partner — Mr. William Mills — was by this time almost 60 : he had had no training or experience in banking, and so it was that the full burden of management fell on Thomas Hallifax. Looking round for extra help he decided to take one of the clerks into partnership and he chose a fellow

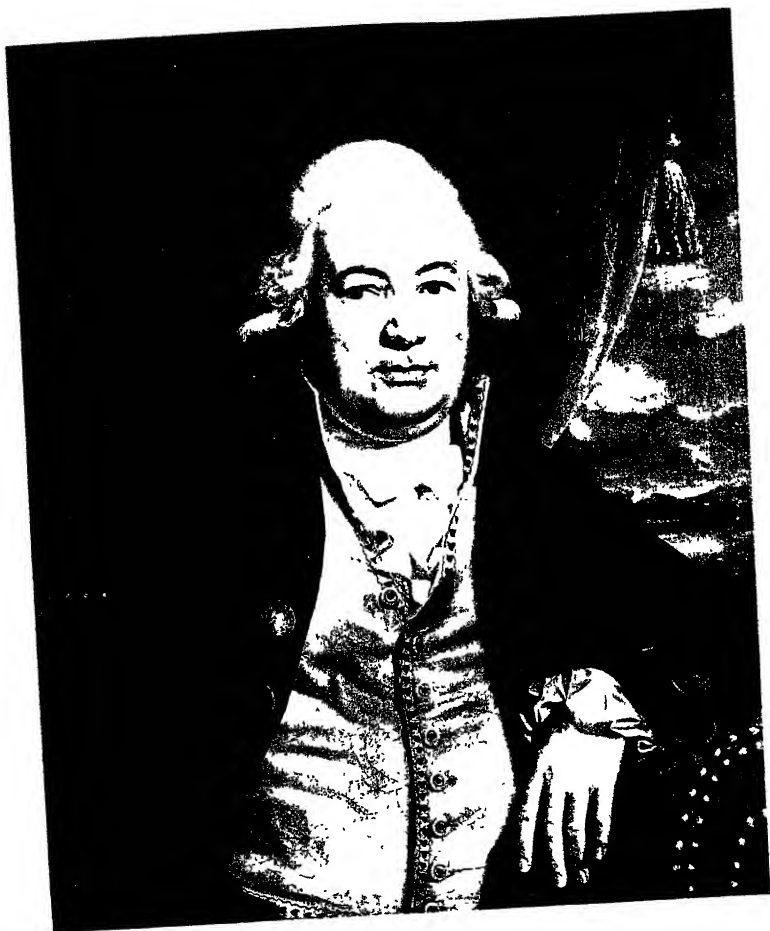
Yorkshireman — Mr. Henry Mitton — who had been a clerk in the Bank since it was founded twenty years before. In the eighteenth century the division between clerks and partners was less hard and fast than it was to become in the nineteenth century. There was no iron curtain between counting-house and parlour. Both Vere and Hallifax had served their apprenticeship as clerks originally, and it was no matter for comment that Hallifax should have had a namesake and relation — Tom Hallifax — who worked all his life as a clerk in the Bank. But on the whole the history of Glyn, Mills would seem to suggest that the business was always regarded as a family concern; unlike some of its contemporaries the Bank took only two clerks into the partnership and neither came right to the top of the Lombard Street world. It is true that Mitton made a considerable fortune; he died in 1804 leaving £37,000. But he always seems to have been regarded as a Hallifax understudy rather than as an independent force in the partnership. He was brought in at a moment of difficulty and he retired from the Bank to make room for Hallifax's elder son.

In these early times there was always a surprising degree of formality among the members of the partnership, as the following letter shows; it was written to Mitton by Sir Thomas from Margate in September 1788.

SIR,

I desire you will enclose in the Letter to my Brother, a Shop note for Fifteen pounds.

Tommy [his son] seemed to receive immediate relief from the Sea Air — last night he was not so well but I hope we shall be able to get him relief — I shall be glad Tom



Henry Mitton



A View of the Change of Dutch paper Currency for English Gold.

Cartoon of Crisis of 1772

Hallifax [the clerk] send me the newspaper *Times* to begin on Monday — I hope all is well in Birchin Lane. With compliments to Mr. Glyn and Mr. Mills.

I am your Friend and Servant,

THOS. HALLIFAX.

The reference to *The Times* throws an interesting shaft of light on Hallifax. That newspaper started in 1785 as the *Daily Universal Register*, primarily for City readers, changed its title at the beginning of 1788 and, relegating its commercial news to third place, gave increased emphasis to literary and political affairs. Hallifax was concerned with a far wider world than the loans and bargains of Lombard Street. He was clearly a man of great courage and ability who perhaps was somewhat unlucky not to have made a larger stir in the great world of affairs, and it is surprising to notice how much of his time must have been spent outside Birchin Lane and Lombard Street. Naturally enough, people may ask why it was that Hallifax, after the death of Sir Richard Glyn, did not devote his whole time and energies to the Bank. The answer is that the prominence of a man in the City Livery attracted business, there he mixed with leading City men, he knew what was afoot, he drew attention to himself; and so much the more was this true of a seat in Parliament. In those days when banks do not seem to have used advertising methods, the fact that a man was Sheriff, Lord Mayor or Member of Parliament was a convenient yardstick for drawing attention to his business prestige. In his comprehensive study of these matters Professor Namier has rightly emphasised that for the majority of eighteenth-century M.P.'s a seat in Parliament was not

an ultimate goal — merely a means to ulterior aims. 'The Shop' was Hallifax's constant concern, and with its welfare clearly in mind he started on his public career. The road was well trodden and clearly marked by countless travellers in the same direction. First the shrievalty, then the Mayoralty which opened the door to the wider world of a constituency and the House of Commons.

Unluckily the forward march of his career was disturbed by the slightly ludicrous but formidable and disrupting events connected with John Wilkes. This strange mixture of rake and radical had been outlawed in 1763 for a libel on King George III and for writing 'The Essay on Woman' — an obscene paraphrase of Pope. This ribald exile returned in 1768 and stood at the General Election both for the City of London (where he was unsuccessful — in company with Sir Richard Glyn) and for the County of Middlesex where he was triumphantly elected. His election was annulled, but during 1769 he was thrice re-elected for Middlesex, the three contests being held between February and April that year. Hallifax had been elected Sheriff for the City in the summer of 1768, taking office in November, and as such he was one of the Returning Officers for these three Middlesex elections. The City immediately threw itself into the fray on the side of Wilkes with a frenzy which recalled some of the old fights against Stuart prerogative in the seventeenth century. Weighty aldermen enjoyed the strange if pleasant experience of cheering mobs and popular clamour. The Livery took full advantage of their privilege of presenting petitions to the King, and on one historic

AN ALDERMAN'S BATTLES

occasion Lord Mayor Beckford made a brave and impromptu speech to the King, who did not know whether to hear him out or leave the room. Many of the less progressive aldermen, including Glyn and Hallifax, publicly disassociated themselves from this Petition.

The City Fathers were greatly perturbed and divided by these events. Some of the most powerful Companies — the Weavers and Goldsmiths — forbade their members to take any part in these agitations. Therefore Hallifax — though he may have sided with Wilkes on one or two aspects of policy — was excluded by his Company from becoming a wholehearted Wilkesite. Normally he would have stood for Lord Mayor in the autumn of 1769, immediately after being Sheriff, or in 1770. But in the latter year Wilkes was finally released from prison, and the word Liberty, in letters three feet high, blazed in front of the Mansion House. Thenceforward things were quieter, though Wilkes began to busy himself in the internal politics of the City, being elected Sheriff in the following year. During this time it was difficult for anyone, save an ardent Wilkesite, to put himself forward for high office in the City. In 1771 the Livery — and it will be remembered that the more respectable elements in the City had withdrawn themselves from the deliberations of this body — chose two creatures of Wilkes from whom the Lord Mayor was to be elected. A poll was then demanded on behalf of the four next senior aldermen — among whom was Hallifax. In the voting Hallifax received 846 against the successful candidate, Nash — an opponent of Wilkes, who polled 2199. The Wilkesites received around 1800 each. Junius, in vivid language, called the successful

candidate 'an abandoned prostituted idiot'. If Hallifax had polled better he would no doubt have been no less endearingly described. The following year exactly the same thing happened, except that the Livery sharpened the issues by choosing Wilkes himself and another alderman. A poll was immediately demanded on behalf of Hallifax and two other aldermen — Bankes and Shakespear. Hallifax issued the following election address from the Bank :

To the Worthy Liverymen of London,

GENTLEMEN,

Mr. Alderman Shakespear's name and mine, being publicly proposed to the Worthy Liverymen of London, as proper to be returned by them to the Court of Aldermen, for their choice of one of us to be Lord Mayor for the next year, I think it my duty to declare, not only my respectful readiness to accept, but my wish and ambition to obtain so honourable and important a charge from the hand of my fellow citizens. I therefore presume (being next in rotation) to solicit the favour of your vote and interest at the ensuing election.

Conscious of the integrity of my intentions, I can assure you, if I am thought worthy of this high office, it shall be my endeavour to merit it, by a diligent, steady and impartial exertion of the laws, an inviolable attachment to our happy constitution and a constant attention to the rights and commercial interests of this great City.

I am, with great respect,
Gentlemen,

Your most obedient humble Servant,
THOMAS HALLIFAX.

Birchin Lane, Sept. 21, 1772.

AN ALDERMAN'S BATTLES

The following exchange of letters between King George III and his Prime Minister, North, show the importance which the Government attached to this fierce election.

Richmond Lodge,

Oct. 1, 1772, $\frac{m}{38}$ pt 9 p.m.

LORD NORTH,

I am much pleased at your attention in transmitting the prosperous situation of Affairs in the City ; I wish Nash and Halifax [*sic*] had joined from the first as it would have prevented any of the factions being returned this year to the Court of Aldermen and would have been the fullest disavowal of the Strange conduct held of late by the Livery.

(The King presumably meant that if Nash and Hallifax had joined forces in 1771 it would have meant a more resounding defeat for the Livery, but he may have meant to say Bankes, who was a candidate in 1772 but withdrew from the Poll.)

The voting lasted for several days, and on October 2nd Lord North sent the position of the candidates that evening, which was —

Hallifax	1356
Shakespear	1238
Townsend	1174
Wilkes	1171

The King at once replied :

LORD NORTH,

It is with pleasure I find by your note that Alderman Hallifax continues superior to his antagonists and that Shakespear has also an advantage over them : I hope I shall

continue receiving an account of each day's poll till the final conclusion of the Election.

Kew, Oct. 2, 1772

m/10 pt 6 p.m.

On the next day Hallifax slightly advanced his lead, but Lord North was obliged to report the disquieting fact that the mob was not so peaceful, 'They Huzza'd all the voters for Wilkes and Townsend, and hissed all the others'.

On the next day the voting swung sharply against Hallifax and Shakespear and the King wrote as follows :

LORD NORTH,

The unpromising appearance of this day's Poll does not in the least surprise me knowing that Wilkes is not bound by any ties — therefore would poll non-freemen rather than lose the election ; if he is not one of the two returned he is lost forever, but if he obtains that, though he may still lose that by a Scrutiny, it will enable him to stand again the next year.

Kew, Oct. 5, 1772

m/46 pt 6 p.m.

That is an interesting letter because the suggestion of a scrutiny would seem to have originated with the King.

The poll closed on October 6th, and the voting was thus :

Wilkes	2301
Townsend	2278
Hallifax	2126
Shakespear	1912

In breaking this unwelcome news to the King, Lord North commented on the appearance of 'strange

ragged figures in the City' who had poured in to record their votes for Wilkes and Townsend. In replying the King emphasised that obviously Wilkes had polled many men who were not Freemen and therefore not entitled to a vote. He had, as the King put it, 'little regard to true votes'. The King urged that Hallifax and Shakespear should demand a scrutiny.

This they did. Commenting on this in a speech, Wilkes said :

A scrutiny upon the most frivolous pretences has been demanded by the opposite candidates. Reasons for this behaviour they have none, nor is it to be accounted for, unless upon those principles, which for their honour's sake I would wish to conceal : they are desirous of perplexing the Poll, and instead of preserving the peace, are themselves accessories to the City Tumults they so loudly condemn.

After a few days, amidst ridicule and ignominy, Hallifax and Shakespear abandoned the scrutiny. In a letter to Lord Rockingham, the erstwhile Prime Minister, the great Edmund Burke called Hallifax and Shakespear 'shabby fellows'. He hinted that the scrutiny was really a manœuvre of the King to justify a change in the method of electing a Lord Mayor.

Of these convulsions in the City Horace Walpole was utterly contemptuous. He said that the City was divided and subdivided 'amongst a parcel of people, whose names are almost all unknown but to themselves. The papers are filled with their squabbles, but I never read such annals.' In a sense Walpole was right. The truth was that political power and influence which in the seventeenth century had made London of paramount

importance in the land had departed. When the City ceased to lend money to the King the corporate political power of the City vanished. Wilkes and his minions, with the invocation of Oliver Cromwell and their comparison of George III with Charles I, were seeking to call back yesterday. The mob and the roaming blackguards of eighteenth-century life enjoyed the sport of hooting prosperous merchants and bankers, but there was little real depth behind their hubbub. Walpole again refers to Hallifax as 'this renegade alderman'. But this seems a strange adjective to apply to one who was merely anxious to take the Mayoralty in his proper turn. With his company — the Goldsmiths — he had always stood aloof from the extreme party in the City, and he was justified in fighting hard to prevent Wilkes and his coadjutor from irrupting into the Mansion House out of turn.

He was the possibly unconscious ally of Wilkes and Junius in the strange case of John Eyre, which happened during his first contest for the Mayoralty in 1771. This was the case which Wilkes and Junius, in formidable coalition, made the ground for a savage attack on Lord Mansfield who as Lord Chief Justice granted bail to Eyre. This unhappy man, who was said to have £30,000, made a strange practice of stealing writing paper. He stole five quires from Guildhall, and it fell to Hallifax, as the presiding magistrate, to try the case in the first instance. Reporting this to his crony Junius, Wilkes said, 'I whispered Hallifax, "You can't bail him"'. Hallifax committed Eyre to the Wood Street prison.¹

¹ This case is taken to prove that Junius cannot have been a lawyer since Mansfield was legally correct in granting bail. Neither Wilkes nor Hallifax would seem to have been better lawyers than Junius.

Although Hallifax was involved in fierce clashes with the popular party and came under their lash — including the *canard* that he and the eminent lawyer, Sir William Blackstone, had used trust funds of which they were trustees for the benefit of 'Hallifax's shop' — he steered an independent course typical of the Whig outlook which he loyally followed. It is an interesting commentary on the disaster of June 1772 that four months later Hallifax was standing for the Mayoralty and eight months later he was knighted by the King.

In 1776, two years after Wilkes had served the office, Hallifax was chosen Lord Mayor.

In thanking his fellow citizens on that occasion he said :

Gentlemen of the Livery, — As I have the honour of being raised by your free and unbiassed suffrages to the highest dignity which my fellow citizens can bestow, I desire to express my most warm and grateful acknowledgements for this distinguished mark of your regard. The trust you have committed to me, I will never betray ; the confidence you may at any time repose in me I will never abuse. It shall always be my study, as chief magistrate, with unremitting perseverance to impartially administer justice, and resolutely to maintain the liberties, independence and good order of this great city.

May I presume, gentlemen, without vanity, to remind you that when, by your favour, I was called to the office of Sheriff, I stood undaunted in support of the violated rights of election, and the constitution as by law established? The same spirit which animated my conduct at that conjuncture will, I trust, on no occasion desert me in the discharge of my duty. I have only to add that when I took upon me the office of an Alderman, I was invited and unanimously

chosen by the Ward of Aldersgate. Being called upon in so honourable a manner, I thought it a duty incumbent upon me to serve my fellow citizens in return for the many favours I had received from them, and it will be the height of my ambition if I can now discharge this great trust to your satisfaction.

Hallifax's term of office marked the closing of the breach between the Government and the City. His banquet on November 9th was attended by the Prime Minister and the Lord Chancellor. For the previous seven or eight banquets the Cabinet had ostentatiously stayed away. However, although Hallifax had adorned his dinner with these leaders of an unpopular Cabinet, he made it clear that he was in no sense a nominee of reaction.

One of the anomalies of eighteenth-century England was the impressment of men for the Armed Forces in a nation which boasted of its freedom. Voltaire gave an amusing illustration of this when he described a Thames waterman boasting to him one day of the glories of English freedom which, he said, made the life of a Thames waterman preferable to that of an archbishop in France; the next day this free Englishman was languishing in prison, having been laid by the heels by the Press officers. Within the boundaries of the City the activities of the Press-gang were viewed with the gravest suspicion as a breach of the law and were a frequent source of trouble between the Admiralty and the Aldermen. The war with America, which started in 1775, was not popular and recruits were very slow in coming forward. Hence the Press-gang was working overtime, especially in the autumn of 1776 when it

Aldersgate Ward
25th Decem^r 1776.

At a Court of Wardmote holden in
Trinity Hall Aldersgate Street in the said
Ward for the Election of Ward Officers for the
Year ensuing the following Motion being made
by Wth Deputy Sheriff was carried with the most
express Marks of universal Approbation

That the Thanks of this Wardmote
be given to the Right Honourable Sir
Thomas Hallifax Knight Lord Mayor
of this City and Alderman of the Ward of
Aldersgate for his Noble and Humane
conduct in endeavouring to secure Safety to the
Persons of his fellow Citizens from the
Ravages and Violence of a Lawless Banditti;
by refusing to back prison Warrants.

Attest Copy

Witness

Sam^l Weston

Ward Clerk.

Vote of Thanks to Sir Thomas Hallifax

AN ALDERMAN'S BATTLES

seemed likely that France would declare war on this country. Hallifax was asked by the Government whether he would allow the Press-gangs to operate in the City. He replied to the First Lord of the Admiralty, who at that time was the iniquitous Lord Sandwich:

No one has more loyalty nor better wishes to promote the prosperity and happiness of His Majesty's Royal Person and Family than myself. But the City of London, on a like occasion, amongst other lawyers took the opinion of the Solicitor General which opinion (as I am informed) doubts the legality of Press Warrants; for which reason I shall be very cautious not to begin my Mayoralty by promoting a measure I cannot support.

On at least three occasions during his Lord Mayoralty Hallifax intervened to free a man who had been pressed in the City. On one of them four naval officers spent the night in Wood Street gaol. Later on he indignantly refused to accept an Admiralty warrant in justification of some 'navy lieutenants' even though it was backed by a fellow alderman — Harley the Conservative — stating that, in the opinion of the Court of Aldermen, there was 'no authority to commit, within the jurisdiction of the city, any violence upon the person of a British subject'. From his stand on this subject he derived great popularity in all quarters of the City.

As Lord Mayor he showed the greatest zeal and energy. In August 1777 there was a dangerous riot in Newgate, where the prisoners smashed their windows and attempted to pull down the prison — a species of dress rehearsal for the great debacle in the Gordon Riots three years later. Hallifax at once went down to the prison, entered the quadrangle with the Governor,

called to the prisoners, who came to their windows, and then harangued them. He next interviewed the ring-leaders in the Lodge and 'very humanely expostulated with them on their atrocious offence. . . . His Lordship promised that he would represent their case to His Majesty.'

At the General Election of 1780 — the first opportunity he had had of entering Parliament after his Lord Mayoralty — he was looking round for a seat. There seemed to be an opening at Coventry where Sir Richard Glyn had sat : this town was rapidly assuming the appearance of a pocket-borough of Glyn's bank. But even in a pocket-borough in that year the prospects for a Whig, like Hallifax, were not wholly good.

Lord North, supported by a Cabinet of placemen and the influence of the King, was tottering towards his fall. He must have been beaten at the election of 1780 but for three things. The Gordon Riots in the summer of that year, which had surged through the City with alarming proximity to the Bank, had rallied voters to the side of authority — to the support of the Government of the day. Secondly, the intervention of the traditional enemy, France, on the side of the American Colonists had made the struggle with America less unpopular. Thirdly, the disunity in the Opposition severely weakened their prospects. Hallifax had never been a slavish supporter of North, although events in the City on occasions had forced him into alliance with that statesman. With his Whiggish sympathies he was inevitably an Opposition candidate in 1780, and he had of course to carry the burden of the tactical disadvantages facing the Opposition Whigs at that time.

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Sir Richard Glyn, it will be remembered, had represented Coventry as the opponent of the Coventry Corporation, which was strongly Whig and anti-Government. Hallifax did exactly the opposite, becoming the nominee of the Corporation.

The sitting members were a gentleman with the tiresome name of Roe Yeo and Holroyd, later Lord Sheffield — the intimate friend of Gibbon. They were supporters of North, opponents of the Corporation, and in an epoch when Toryism was still apt to be confused with Jacobitism they were labelled as belonging to 'the high party'. They were opposed by Hallifax and another London banker — Thomas Rogers — the father of the poet. The poll started on September 9th, and from the first the election was fierce and dirty. The Corporation, which had the management of the proceedings, did everything possible to make it difficult for the supporters of Yeo and Holroyd to vote. In retaliation Yeo and Holroyd paid the Warwickshire colliers to come in and beat up the supporters of the bankers. In the meantime Hallifax was not spared in the local press. Electors were told that he was a bankrupt who had compounded with his creditors at the rate of 15s. in the £, that he was a Tory, he and Rogers were 'dull cits' and he was told in verse :

Vain all your Bribes, your Bludgeons, Your Attacks,
Your cant, your Cash, Sir Thomas Hallifax.

After nine days the Sheriffs took the unexampled and incredible course of closing the poll and making no return. The whole of the events leading up to the abandonment of the poll are well set out in a letter from

Hallifax and Rogers which, though it is naturally partial, shows that eighteenth - century bankers had a fine command of controversial English.

TO THE WORTHY AND INDEPENDENT FREEMEN
OF THE CITY OF COVENTRY

GENTLEMEN,

An unparalleled series of Outrage, Violence and Tumult, having at length compelled the Sheriffs to close the Poll, permit us to lay the following plain State of Facts before you, which we flatter ourselves will not only justify us in your Opinions, who have daily been witnesses of the Transactions we allude to, but find its way into the Breast of every impartial and disinterested Person.

Previous to the opening of the Poll, to prevent Riot and Disorder the Sheriffs made a Proposition to Mr. Holroyd, Mr. Yeo, and ourselves, to take the Poll by Tallies, which was immediately assented to by us, but rejected by them. Before the opening of the Poll on Saturday, the Freemen in our Interest (a few excepted) were forcibly kept back from the Booth ; many of them stripped naked, and their cloaths torn to pieces, others cruelly beaten and most shamefully treated. The Sheriffs shocked at the injuries the Freemen sustained, in order to prevent the like in future, and preserve the Freedom of Election, signified, in writing, to the Candidates, their intention to allot, and on Monday morning they accordingly allotted one End of the Booth for our Voters to Poll at, and the other for the Voters of Mr. Holroyd and Mr. Yeo. The better to protect the respective Voters, they also signified their intentions to order rails to be put up in the most convenient manner round the booth, which was accordingly done ; but before the opening of the Court on that Day, the Rails were cut down and taken away, by a Riotous Mob, who continued to commit every

AN ALDERMAN'S BATTLES

Indignity and Outrage upon our Friends. On Tuesday, before the opening of the Poll, many of our Voters had got up to the End of the Booth appointed them by the Sheriffs, but they were soon dragged from thence by the Mob, calling themselves Blues, and so cruelly and inhumanely abused that some of them were taken up speechless. Every morning presented to our view the same desperate Mob surrounding the Booth, and committing the like outrages, by which all access to the Poll was obstructed, it being their publicly declared Resolution that not one of our Voters should come up to the Booth till all the Voters in the interest of Mr. Holroyd and Mr. Yeo had polled. Tumult and Riot stalked through the streets at midnight to intimidate, and to such a daring height had the Mob arisen, as to demolish part of a house in which were many of our Friends.

Several propositions were made on our parts from time to time, to bring the Election to a peaceable issue, but without effect ; we were desirous of polling by Tallies of Five and Five, or any smaller number alternately ; and, to remove all objections against either Mode, we were willing that the majority of 27 should remain in Favour of Mr. Holroyd and Mr. Yeo as long as they had any men to poll, but our Opponents would not concur in any measure that was esteemed necessary for the protection of our Voters.

In this situation, the Sheriffs, with a Resolution and Candor that does them honor, made several Adjournments, in hopes of restoring Peace and enabling the Voters to poll freely ; but all their exertions, though assisted by the Civil Power could not effect it. Magistracy was constantly opposed and insulted ; several of the Peace Officers were knocked down and narrowly escaped with their lives ; and a most daring attempt upon the Sheriffs, Magistrates, and Peace Officers within the Booth, attended with horrid

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barbarities and outrages to our Voters without the Booth, at last compelled the Sheriffs to put an end to the Poll.

What will be the issue of that Business it is not with us to determine, as we presume it must necessarily come before the House of Commons for their Decision : And, we doubt not, it will terminate in a full vindication of the Freedom of Election.

Permit us to assure you, that we hold in the highest Esteem and Gratitude your manly and generous support throughout the whole of this struggle. A steady Perseverance in the same commendable Line, with Zeal and Alacrity, cannot fail to ensure Success equal to the Justice of your Cause, and the Propriety of your Conduct.

We are, Gentlemen,

Your much obliged and very humble servants,

T. HALLIFAX.

T. ROGERS.

Coventry, Sept. 18, 1780.

When Parliament reassembled, Charles James Fox presented a petition on behalf of Rogers and Hallifax, while their opponents demanded an enquiry into the conduct of the Sheriffs. The House of Commons at once issued a writ for a new election which started on November 29th. The poll was kept open for sixteen days, and fighting no less ferocious than that of September marked the contest. Towards the end of the struggle Rogers's son, writing to his brother the poet, said, 'Coventry seems to be the place where every unclean bird dwells, for of all the blackguards in the Universe I think the Coventry blues are the greatest'.

The Sheriffs, by a skilful manipulation of the voting, gave a small majority of twenty to Hallifax and Rogers.

AN ALDERMAN'S BATTLES

They made a number of men freemen of the City on condition that they voted for the bankers. When these mushroom freemen were removed from the voting by a scrutiny Yeo and Holroyd had a majority of 150. The House of Commons committed both the Sheriffs to Newgate for gross partiality.

So ended Sir Thomas Hallifax's first attempt to enter the House of Commons. No doubt it was unlucky for a respectable banker to be involved in the muddy battle of Coventry. One of his business associates, struggling with the complications of the Carron Company and no doubt vexed at finding the banker otherwise engaged, wrote to him, 'I protest I concluded that you had been proverbially sent to Coventry and there entombed among the tribe of the dismal Yews and Hollies'. The amount of time which Hallifax gave to Coventry, the expense and the contumely which he had to face are some indication of the value of a seat in the House of Commons to a man with an assured income and a flourishing business. His reward came in 1784 when he was given the comfortable seat of Aylesbury, which he represented as a supporter of the younger Pitt until his death. Judged by the prevailing standards of a later age, Hallifax might be condemned as an unstable and unprincipled politician. But it cannot be too strongly emphasised that the motives which encouraged the average Member — especially before parties began to take more definite shape under the rivalry of Fox and Pitt — were personal and selfish. The Bank or 'the shop' derived consequence from having its senior partner in the House of Commons. And there can be no doubt, as Professor Namier has pointed out, that

merchants and bankers coveted a seat in Parliament because it brought with it large possibilities of business through Government contracts. The ideas of serving a party or of serving the country were the fancies of a later age.

As became a man in his position Hallifax lived increasingly less in Birchin Lane, buying a fine property in Enfield, on the edge of Epping Forest, and once the home of Lord George Gordon. He died suddenly at the beginning of 1789 and was buried at Enfield with the full ritual of eighteenth-century funeral pomp. The hearse was adorned with scutcheons and was followed by seven mourning coaches each drawn by six horses. There were eight private coaches in addition to his own private chariot. The pall was carried by six aldermen of the City, and the chief mourner was Deputy Harding, a relation by marriage and a minor functionary of the ward of which Hallifax was alderman. Immediately behind the Deputy, enveloped in huge mourning cloaks, walked Mr. Thomas Hallifax aged 15 and Mr. Savile Hallifax aged 12. They were orphans. Their father died without making any will and his large fortune of £100,000 was divided between them.

CHAPTER FOUR

SIR RICHARD CARR GLYN

FOR the next forty years the history of the Bank is a tale of steady progress through the economic dangers and difficulties engendered by the war against Napoleon and the commercial disturbances which accompanied and followed it. The following figures give some indication of the expansion of business between 1790 and 1830 :

Year	No. of Staff	Country Bank Agencies	Profits
1790	7	4	Not known *
1800	17	13	Not known
1810	31	28	£19,498 : 18 : 10
1820	32	33	£24,922 : 3 : 3
1830	51	49	£41,522 : 15 : 10

* It has been already mentioned that the figure in 1765 was £3700.

A further proof of expansion is shown by the fact that the premises acquired in 1757 were beginning to be outmoded after thirty years. On Lady Day 1788 — the last year of Thomas Hallifax's life and the last year before the old, ordered world of eighteenth-century Europe collapsed in ruin with the French Revolution — the Bank moved from No. 18 Birchin Lane across the road to No. 12. This move marks the beginning of the occupation of the present site by the Bank. A bride of one of the former occupiers, on taking up her residence

above the old premises, wrote enthusiastically of Birchin Lane as 'a very pretty clean lane'. Clean it may have been, but its beauty was not — and is not — its most conspicuous feature. The whole lane had been burned in the Great Fire, and No. 12 had again been completely destroyed by fire in 1748. This house, together with its neighbours to right and left, was rebuilt by John Woods, and no doubt the result was graceful and convenient in the severe classical style of the time. Two of these houses, No. 11 and No. 12, fell vacant in 1787, and the partnership decided to lease them and convert them into single premises. At the end of the 1790's the partners rented two houses backing on to 12 Birchin Lane, in Change Alley which bisected the Lane.¹ These premises were all thrown into one in 1801, and a ground-floor plan shows that on entering the Bank from the front door in Birchin Lane the customer went in to the Counting-House, or Shop as it was still sometimes called. A large counter for paying out cash was on the right of the entrance with three large desks behind it. The receiving counter was parallel to the paying-out counter and divided from it by a passage about 12 feet wide. Behind the Counting-House was the Ledger Room where the clerks made up the ledgers. Behind this was the Country Business Room, and leading off this was the Private or Partners' Room lit only by a skylight. The closet for the press-bed, where the clerk on duty slept, was between the Private Room and the Counting-House. The safe was kept off the Private Room.

¹ These various moves and alterations will be clearer by reference to the plan on page 165.

Four more houses in Change Alley and one more house in Birchin Lane were added to the block in the first decade of the nineteenth century. During this period the Bank first assumed for its insignia the Blue Anchor. This, in the old days of the seventeenth century, was the sign placed outside No. 12 Birchin Lane by the goldsmith inhabiting the house. The most probable explanation for the adoption of it by Glyn, Mills and Hallifax is that the partners discovered this fact while looking through the title-deeds of the property, and thereafter adopted the anchor. As before, some of the clerks lived above the Bank, and the junior partner lived in the equivalent of a flat on the top floor. By the turn of the eighteenth century heads of City businesses were ceasing to live over their work and were beginning to show an innocent partiality for an address in the west of London. The junior or nominal partner was generally chosen to live over the shop from the beginning of the nineteenth century onwards.

The junior partner in this instance was Henry Parry, who had been with the Bank as a clerk before the misfortune of 1772. From 1791 to 1796 he was special clerk — a position which broadly corresponded with manager and brought him into confidential relations with the partners in their private concerns as well as those affecting the Bank. He was made a nominal partner in 1796 and held that position for twenty-one years. Like Henry Mitton he was in the partnership and sat in the Parlour, but neither man had quite the same standing or the same share of the profits as had the family partners — the Millses, the Hallifaxes and the Glyns. When Parry joined the partnership he was

offered the choice of a salary or a fixed percentage of the profits.

Of the partners during this period the outstanding personality was Richard Carr Glyn. Indeed, when the history of British banking is finally written, few names are likely to stand higher than his. He was not perhaps a great initiator of new things: he was rather a great consolidator. To the business he brought gifts of wisdom and integrity which were combined with a patient attention to detail which was astonishing.

He became senior partner, when he was 34, on the death of Hallifax, and he pursued that conventional career in public life in which he had been preceded by his father and by Hallifax. He was elected an alderman for Bishopsgate Ward in 1790, serving the office of Sheriff and being knighted in 1791. He was Lord Mayor in 1798. During his mayoralty, and in part owing to his encouragement of that remarkable London magistrate Patrick Colquhoun, the river police were started. Although in nineteenth-century London the river police were chiefly famous for their work among drowned or drowning ne'er-do-wells, in 1798 their principal work lay in protecting the West Indiamen, lying in the Thames and waiting their turn to dock, from the attacks of thieves — a defence of the rights of property which perhaps naturally appealed to Glyn.

The year before Glyn's mayoralty saw the nadir of British fortunes in the war with Revolutionary France. Our allies had been cowed into submission, the Mediterranean was closed to our shipping, and with mutinies at the Nore and Spithead the risk of invasion was no less immediate than in 1940. With the patriotic

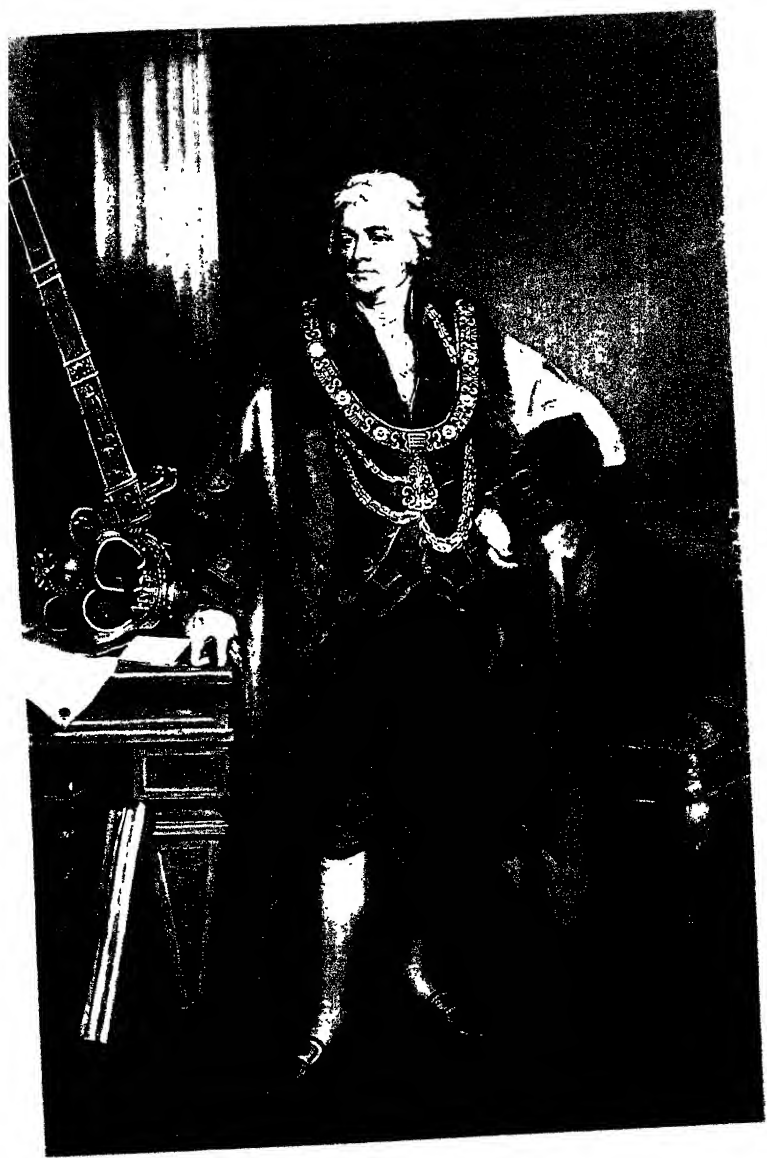
spirit of his father Glyn was in the van of the Volunteer Movement in the City. Six months before he became Lord Mayor the Government and the City appealed for a Military Association in each ward. The total number of volunteers in the City quickly rose to 40,000 — a fine response when it is remembered that they not only paid for their own arms and equipment but for the wages of the sergeant who drilled them. In his own ward of Bishopsgate Glyn was in command of the company with the rank of Major. When he was Lord Mayor four of these companies were amalgamated into a battalion of which he took command with the rank of Lieutenant-Colonel. There was plenty of work — drilling generally took place first thing in the morning at about 6, and field-days were held every fortnight in the summer. The Loyal London Volunteers were present in Hyde Park for the King's birthday review, when George III took the salute on horseback surrounded by his burly sons. The maximum strength of the battalion was 360, and it was disbanded in 1802 after the Peace of Amiens.

Glyn was also a member of a more pacific City organisation — the Ancient Society of Cogers. The objects of this body were defined in 1793 (the year in which Glyn joined) as 'the promotion of the Liberty of the Subject and the Freedom of the Press ; the maintenance of Loyalty to the Laws, the rights and claims of Humanity and the practice of public and private virtue'. These comprehensive if slightly smug objectives of the Society show how the City as an entity of public life was in danger of becoming archaic and even absurd. Some ridicule was beginning to attach itself to City

customs and City ceremonial, and although Glyn was eventually senior alderman and as such entitled to the venerable distinction of Father of the City, he viewed these matters with increasing disfavour, eventually advising his son to shun the honours and dignities of the City of London. His exact words were, 'The office is no longer fit for a man of your character and station'.

Glyn was elected to Parliament in 1796, sitting for the St. Ives division of Cornwall. Unlike the previous partners who were in the House of Commons, he was not silent, speaking at least twice. He spoke in favour of the Union with Ireland in 1800 on the grounds that the terms seemed to him 'founded on the broad basis of mutual ability'. A few years earlier he had spoken on the Seditious Meetings Bill — the rejection of which had been urged by Fox in a speech of great force and eloquence. As was only to be expected, Glyn's speech was fair and closely reasoned. He agreed that 'the Acts did, in some degree, shackle the rights of individuals', but in considering the question he remembered 'the alarming meetings at Copenhagen House and the seditious speeches and proceedings at Chalk Farm', and he considered that Fox had failed to prove that the Bill would be used to oppress the people.

His close friend in the House of Commons was Sir Robert Buxton — a Norfolk man but not related to the great philanthropic Quaker family. Both men were made baronets by Pitt within three days of each other, and each of them was only a Member of the House of Commons for a short time. There was perhaps about each man a certain lack of robustness, especially when contrasted with the eighteenth-century members pro-



Sir Richard Carr Glyn, Bt.

'duced by the commercial world. Writing to Glyn, Buxton says : 'I feel my mind greatly relieved from being out of Parliament. The times are too dismal to talk upon. I hope you have had your health, though this damp weather has often raised my fears about you.' But if the race was a shade less sturdy, life had become somewhat more oppressive. The complexities of a large business and the increasing pressure of Parliamentary concerns made it difficult to combine a seat in the House of Commons with the management of business in Birchin Lane. Glyn was wise not to dissipate his energies between the two. He resigned his seat at the dissolution of 1802.

In his immediate family circle Glyn was as felicitous as he was in business. He married the only daughter of John Plumptre of Fredville, near Dover — the head of a landed family which not only enjoyed prosperity but also made a rich contribution to the intellectual life of the Church of England. In the eighteenth and nineteenth centuries this family sprinkled the Church with rectors, prebends, deans, bishops and heads of university colleges.

His mother, the daughter of Sir Robert Carr, lived on until 1814 at Hampton where she had lived with her father, who survived until 1791. Glyn would seem to have often gone out there, and he kept the most meticulous accounts of each bottle of wine he drew from the cellar. He was no less careful to record every detail of the poultry down to the speckled bantam with a double comb which bred in his brother-in-law's house in Jermyn Street, and the tragedy of the brood of ducks lost in 'the necessary'.

Later with a family of six sons and one daughter he lived in Arlington Street (two doors from Savile Hallifax, the younger son of his old friend and partner) and at Gaunts — a country estate in Dorset. This was an agreeable property to the north of Wimborne, which was bought by the first Sir Richard about 1770. Sir Richard Carr Glyn developed and expanded it, rebuilding the house, with characteristically good taste and lack of ostentation, in 1809.

The most pronounced characteristic of Glyn was his attention to detail, his determination to provide for every possible eventuality, never to be taken by surprise by some twist or turn of fortune. Here, perhaps, lay the secret of his business success, for his career was firmly built upon the twin foundations of foresight and hard work.

He was guide, philosopher and friend to many business associates and family connexions, and his papers show that he attended to their affairs with the same zeal as if they had been his own. An example of this was the help he gave to Samuel Harvey when he started the Sandwich Bank in Kent in 1791. The only interest which Glyn had in this bank was that he and his partners were to be their London agents. He himself arranged for the ordering and printing of the notes and cheques, and he entertained Harvey in London while he was acquiring some knowledge of the mechanism of banking. He advised Harvey not to take down a clerk from London because he thought 'this place of dissipation' would unfit him for the quiet decorum of one of the Cinque Ports.

In 1797 he was writing to a Dorset neighbour and

SIR RICHARD CARR GLYN

family friend, who was left a widow with a family of young children :

I take the liberty to request you would turn your thoughts to the public schools mostly looked to by the parents of young gentlemen, namely, Eton, Westminster and Harrow. If you are likely to reside in Camberwell or in London I see an advantage in Westminster, as your son would visit you twice a week or three times on half-holidays ; at which time he would be able at home to profit from the instructions of Scientifical and Philosophical Masters, as well as Fencing, Dancing and Music. I am sure a boy will never bend his mind to these studies and exercises if his Masters are to attend him at his Boarding House.

Attentive and benign as Sir Richard was he could be severe, as the following letter shows, which was written to Mr. W. P. Hamond — a connexion of his by marriage.

13th Dec. 1793

DEAR SIR,

I was favoured by your letter of the 6th instant, enclosing your note for £40 payable this day at your house in Berners Street, which to my great surprise has not been duly honoured. This is an additional mortification to that which I have for some time felt for the state of your account as neither you nor I can think ourselves entitled to claim indulgence from my partners, particularly as I understand you have an account with a neighbouring banking house. . . .

But perhaps the most curious example of Sir Richard Carr Glyn's solicitous attention to the future was the letter which he addressed to his eldest son in 1816, when he was 60, and when the final overthrow of Napoleon

seemed to give the assurance of stability to the world. The letter was to be opened at Sir Richard's death. The poet reminds us that

E'en from the tomb the voice of Nature cries,

but Sir Richard's letter showed not so much the voice of Nature as the voice of family pride — the tones of Mr. Dombey, Soames Forsyte and Sir Willoughby Patterne blended into bombastic unison.

For Richard Plumptre Glyn, Esq.,

Arlington Street,
26th June, 1816.

MY DEAREST RICHARD,

Considering the responsible situation in which you will be placed at my death, as my principal Representative and the person to whom the younger branches of my family must look, as the support of the Reputation, situation and consequence of the family, I think it right to address this letter to you, which you will receive after my death, and I cannot doubt it will have due weight.

You will find I have bequeathed to you the principal part of my Landed Property under strict Intail with the Mansion House of Gaunts and the moveables appertaining to it. This is done with the view of maintaining the character of the family by your means, and I earnestly recommend that whenever an opportunity offers of purchasing more Land adjoining to the Estate at Gaunts, or Fontmell, or Melbury, you will do it, provided you find you possess sufficient personalty in the Funds to assist the Banking House. On such occasions you will probably consult your Brothers, particularly Robert and Thomas, in any case of difficulty you will find the latter as a Lawyer of essential service to you ; I trust you will continue him as the Steward of the Manor of Fontmell, to which situation I have appointed

SIR RICHARD CARR GLYN

him, as a measure of importance both to me and to you.

As to the Mansion House of Gaunts, I trust you will occasionally reside there with the view of keeping up your connections in the County of Dorset, and of maintaining the family name. The Park and Coppices should be carefully preserved ; I have let or licensed part of the Park as feeding ground to adjoining farms, the rest or part of the rest may be let in the same manner, should the farms of Ashton and Little Hinton require it.

The Mansion, Shrubby, Garden and Coppices should be kept in hand, and so much of the Park as you may think necessary for Cows.

If you should marry, I recommend that your eldest son should be called Richard with the family name of his Mother, as is the case with myself and you, another Son may be called Carr and another Plumptre, but in no instance Richard Carr.

If you should not marry, I earnestly recommend to your affectionate notice and protection the eldest Son of your next Brother and so on.

It will not be necessary that my Grandson, who is likely to be Heir to the Estate, should be brought up to the Banking Concern, his Fortune will I trust be ample and sufficient to give him consequence in life and in the County ; he should be educated at Westminster School and at Christ Church Oxford, as to Profession, the Guards or the Law and Parliament.

If the affections of my Grandson lead him to Marriage, and the natural and laudable desire of perpetuating the family may incline him to it — a connection of rank or in his own County would be most advantageous and desirable.

You my Dear Son should always look with solicitous attention to the Person who is likely to become your

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Successor to the Family property and Estate, cherish and educate him as your Son.

I remain, My Dearest Richard,
Your ever affectionate Father,

RICHARD CARR GLYN.

P.S. Take care to support your Brother George in the Banking House. R. C. G.

For posterity the interest of this letter lies in the careful distinction which the testator draws between the Landed Property and the Banking Concern. To Sir Richard, as for many of his generation, there was something potent yet slightly mysterious about land and property. When trustee for some tumble-down houses in the City, he wrote to one of the beneficiaries, 'I do not wish that the conduct of business, when Property is materially concerned, should rest only on my shoulders, particularly as I am not acquainted with the nature of these concerns'.

It will be noticed that when the letter was written Richard Plumptre Glyn, to whom it was addressed, was 29 and already a partner in the Bank. His father presumably has in mind, when he uses the phrase 'by your means', that the landed estate should be enriched by his son's banking accumulations and then, in the next generation, finally divorced from Lombard Street. Here is the characteristic Victorian idea that there was something virtuous in a rent-roll but something faintly sordid about counting-house or parlour. Yet Sir Richard, with memories of 1772 and the difficult years through which he had himself piloted the Bank, could not wholly reconcile himself to the idea of all his heir's

'fortune being permanently denied to the Bank in a moment of adversity. Hence the appeal to keep sufficient personalty in the Funds to assist the Bank and the almost pathetic postscript with which the letter closed.

When Sir Richard came to die, some twenty years after the letter was written, the reality was sadly different from his expectations. With the worldly hopes of Omar Khayyám's poem they vanished

Like snow upon the Desert's dusty face.

His eldest son was an ageing bachelor, and worse (for the consequence of the family) his next brother Robert had married a lady belonging to a family round which the miasma of scandal was hanging heavily. Mrs. Robert Glyn was Frederica Harford, and if she was, to use Sir Richard's words, 'a connection of rank', this was in a totally different sense from what he intended. Her father was the bastard son of Lord Baltimore, whose escapades were not forgotten by the older generation. Furthermore, he had drawn public attention to his illegitimate son by leaving him the Province of Maryland in tail male. In the events which happened this valuable bequest had a short life and the independence of the American colonies left Frederick Harford somewhat bereft. The whole connexion with the Harford family was unwelcome to the older generation of the Glyn family.

If in private life Glyn had his share of disappointment, he was rewarded by the knowledge that his business life had not only been highly successful but had been of substantial advantage to the nation. Mr.

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H. A. L. Fisher has pointed out that if the mechanism of English finance had been faulty, as it was in France, the Industrial Revolution could never have taken place. He adds that 'the engines of the Industrial Revolution, which made England so rich and powerful that she was able to stand the strain of the Napoleonic wars, were moved by the oil of finance'.

CHAPTER FIVE

MILLS'S AND HALLIFAX'S

THE other members of the partnership were of infinitely less consequence than Glyn. They were more in the background, and the difference between them and the more active elements in the partnership has been pointed out by one of the most knowledgeable and outstanding writers on English banking — J. W. Gilbart, the founder of the Westminster Bank. Though as a partisan of the joint-stock banks he was somewhat prejudiced in his comments on private banks, he was undoubtedly correct in his generalisation that in private banks the work was usually done by at most two of the several partners. The rest regarded the Bank as an important, active investment which demanded the attention which a man of wealth generally devotes to such matters. The function of these partners was to appear from time to time in the Parlour, to make a few suggestions, if possible to direct customers to the Bank and to endorse what was done by those whose principal business in life was the Bank. The Mills family was undoubtedly less active in the business of Lombard Street than the Glyns, but if (as Gilbart says was the usual practice) they left the detail to others they unquestionably played an important part in sustaining the steady progress of the House.

The fortunes of the Mills family really derived from

the fact that William Mills, who joined the Bank in 1772 and to whom reference has already been made, had no surviving issue. Like some politic Pope of ancient times he lavished his wealth on his nephews. As has already been explained, he had considerable interests in India. He also owned an estate called Warden's Hall in that unexplored upland of Essex round High Ongar. He died in 1782, and he devised this estate to his eldest nephew — another William Mills. He was also successful in bringing his nephew forward in the East India Company, of which William Mills (junior) became a director in the 1770's. This William Mills rapidly acquired a fortune, retired from the East India Company directorate in the 1780's, became Member of Parliament for Coventry from 1805 to 1812, and bought the landed estate of Bisterne not far from Southampton. William Mills (senior), in addition, left £20,000 to his other nephews and nieces and the residue of his fortune to their father, the Reverend John Mills, Rector of Barford, which was near Warwick.

To the clerks in Glyn, Mills he left five guineas each for mourning rings. This was the first of a number of similar bequests which, with melancholy monotony, enriched the lives of these industrious men over the next hundred years. On their feelings we can only speculate. Were they slightly self-conscious as the black and gold circles caught the gaze of customers as they counted out the sovereigns? Decency and good manners no doubt alike prevented them from following their natural inclination in paraphrase of Omar Khayyám:

To take the cash and let the bauble go.

It is possible that when mourning was over the clerks were allowed to sell their emblems of sorrow. But perhaps in the language of the lawyers they had power to accumulate, and in old age a clerk's fingers may have been almost encased in gold — bright memorials of masters long dead ?

In the history of the Bank the most interesting recipient of William Mills's bounty was his nephew Charles — the second son of the Rector of Barford. He was left £5000 and was provided with a partnership in the Bank. There is a tradition in the family that when William Mills came to the aid of the Bank in 1772 he made it a condition that this nephew, who was then 17, should be an eventual partner.

Charles Mills was born in 1755, became a partner in the Bank when he was 21 and succeeded his brother William in the East India directorate when he was 30. He became a director of the Company just after it had passed through stormy waters when Horace Walpole called the directors 'a crew of monsters'. Chatham had said the iniquities of the Company were so rank as 'to smell to earth and heaven', and Burke in ringing language said that if the British were expelled from India no memorial of them would remain except 'the ourang-outang and the tyger'. In justice to the directors it has to be remembered that if their crimes were large so were their responsibilities. They administered a revenue of £7,000,000, they commanded an army of 60,000 men, and they were responsible for the lives and fortunes of 30,000,000 Indians.

Charles Mills, like the majority of his co-directors, was shrewd, unsentimental, not greatly bothered by

lofty political debates and not greatly perturbed by the fierce storms which raged outside the splendid East India House in Leadenhall Street. Charles Lamb, who was a clerk in the House during Charles Mills's directorate, was no doubt drawing on personal experience when he described the formidable dignity of the sacred interior of the directors' quarters in South Sea House. Here as he said 'beat the quick pulse of gain'. The proximity of the Mills family to the heart of the valuable trade with the Orient made the family an asset of the first significance in Birchin Lane. They were the providers of business rather than the conductors of it. In addition, they brought to the Parlour the commercial information and expert opinion always available to a vast trading concern such as the East India Company.

It has been well pointed out in a book lately published by the Principal of Lady Margaret Hall, Oxford, on the tangled politics of the East India Company in the eighteenth century, that the majority of the directors had wide interests outside the Company. They were paid only small salaries as directors and most of them had only small holdings of East India stock. The inducement which made them devote themselves to the complexities of the East India Board was the opportunity it gave them to put profitable business in the way of firms with which they were associated. The Mills family followed this policy over eighty years, and the connexion of the Bank through the Mills family with the Company was of the greatest value.

Charles Mills himself was efficient, competent and modest. He found himself deputy chairman of the East India Company in 1801 — a critical year. Lord



Charles Mills, 1755-1826

Wellesley, the Governor-General, was pursuing a very active policy in India which involved the Company in a number of costly, imperial projects. Among them was the proposal to set up a college in India for the education of the Company's servants, from which later on Haileybury was to develop. Mills lived at that time in an agreeable Adam house in Mansfield Street (No. 12) and here Warren Hastings came to discuss the pros and cons of the college. It is noteworthy that Hastings, though he was disgraced and impeached by Parliament, never lost his influence with the Company. Writing to him afterwards, Mills said :

I have many apologies to make for thus intruding on your time, but the situation in which I am placed making it necessary for me to take an Active Part in a Matter wherein I confess myself not very conversant, it will be highly gratifying to me to be fortified with your Opinion before the Measure receives my final Concurrence.

Could there be a clearer expression of the embarrassment caused to a City man on being pitchforked into affairs of state than Mills's language? But not disturbed by these limitations, Mills followed the tradition of the partnership by seeking election to Parliament when he was in middle life.

Almost inevitably the choice was Warwick, close to his birthplace and, like its neighbour Coventry, offering attractions to wealthy candidates from the City of London. The powerful force in Warwick politics was the Castle, which virtually claimed to nominate both Members of Parliament. But during the 1790's opposition to Pitt and the war, fostered by the emphatic

support of the great Dr. Samuel Parr who held a meagre benefice outside Warwick, encouraged the opponents of the Castle. In 1802 the sedate nominee of these courageous enemies of privilege was Charles Mills. So successful was his candidature that he drove the Government nominee, who was also the creature of the Castle, from the field, and wrote in triumph to Parr :

Warwick.
27th June 1802.

DEAR SIR,

I am sure it will give you sincere pleasure to hear that the cause of freedom is likely to prevail, owing to the great and generous exertions of my friends belonging to this borough. Mr. Gaussen [the Government candidate] having upon a vigorous canvas been unable to make any considerable impression upon the voters in our interest, left the town yesterday morning, first signifying to me his determination to relinquish the contest. Amongst those who have come forward to support my cause, and that of independence, I know no person to whom I have greater obligation than yourself.

I have the honour to remain, dear Sir,

Your very faithful and obedient servant,

CHAS. MILLS.

The day previously Mills had circulated the following letter to the electors :

TO THE INDEPENDENT ELECTORS OF THE
BOROUGH OF WARWICK

GENTLEMEN,

My Opponents having thought fit to make a second canvas, I feared to seem deficient in Attention, had I failed to pay my personal respects to you again.

MILLS'S AND HALLIFAX'S

It was on this ground alone that I waited upon you a second time — not that I doubted for a moment your firmness, or gave the smallest credit to the rumours with which certain persons have not blushed to impeach the integrity of the Electors.

Threats and promises have indeed been abundantly lavished to induce individuals to forfeit their engagements ; but with how little effect, the event which has been announced this morning sufficiently evinces.

It seems probable, Gentlemen, that the triumph of the Town is fully acknowledged, and that my return to Parliament will meet with no further opposition. But as some time must elapse before the day of election, my friends will permit me to guard them against being lulled into a false security and to request the continuance of their exertions till that time.

I am, Gentlemen,

Your very faithful and obedient humble servant,

CHARLES MILLS.

Warwick, 26th June 1802.

His supporters composed a doggerel in honour of the banker which they set to the tune of 'Nancy Dawson'. With slighting references to venal lords and aristocratic tyranny, the poetaster sang of Mills as the darling son of Freedom :

For *Mills* is honest, just and true,
A friend to *King* and *Country* too,
No *Place* or *Pension* has in view,
But open godlike *Bounty*.

Although Mills may have associated with such men as Parr or Fox, who would not on principle have bestirred themselves against the threat from France, he was, like

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Foreign Secretary and principal architect of the Revolution. He much amused Disraeli by telling him that the dinner was spoiled by a pretence of republican simplicity and — 'unmentionable horror' — an immense piece of calves' liver. His name should be held in grateful recollection by generations of convivial intellectuals, as having been the principal founder of the Garrick Club. He was a discriminating collector of pictures and furniture which are now at Bisterne.

His brother, Edward Wheler Mills, was a partner in the Bank from 1835 till 1864. He was a director of the Great Western from its beginning and, like his brothers, a keen collector of furniture.¹

Each of these three brothers inherited £10,000 from their father and £5000 from their uncle, Charles. It was the eldest of the three brothers, another Charles Mills, who was most closely connected with the Bank. He was born in 1792, educated at Harrow and Christ Church, Oxford, became a partner in 1821, and was senior partner at the time of his death. In 1825 he married Emily Cox, a daughter of Richard Cox, one of the partners in Cox's Bank. Richard Cox, an unostentatious but greatly respected paterfamilias, lived out at Hillingdon about two miles on the London side of Uxbridge. The diarist Greville, who was by no means lavish with his encomiums, wrote, 'I admire that family of Cox's at Hillingdon, and after casting my eyes in every direction, and thinking much and often of the theory of happiness, I am convinced that it is principally to be found in contented mediocrity'. Charles Mills lived in a house about a mile from his father-in-law

¹ His collection was sold at Christie's in 1947.

known as Little Hillingdon, and also at Camelford House in Park Lane.

The Millses were among the most affluent of the City families in the nineteenth century. But for all their hard-headedness — worldliness would possibly be a juster word — there was a strange streak of romance in the family, characteristic of early nineteenth-century mankind but developed in them to an extent which was conspicuous. The most remarkable sign of this was perhaps the Villa Mills on the Palatine Hill at Rome. Which member of the family originally acquired this building is uncertain.¹

Much jesting — some of it laboured — has been directed at the Villa Mills, for it was certainly a quaint conceit to graft a neo-Gothic building on to the ruins of the palace of Augustus Caesar. The Mills family emphasised the folly by colouring it orange, and adorning it with rose, shamrock and thistle — a little piece of Great Britain shining in the Roman sun. Magnificent views of Rome were seen from the garden, which was

¹ The late Lord Rennell, for many years British Ambassador in Rome, was interested in the Villa, and in his *Guide to Rome* refers to it as having been shared by Mills and Sir William Gell in the era immediately after the fall of Napoleon. Gell, known to his contemporaries and to posterity as 'Topographical' Gell, was a distinguished classical archaeologist and was the most diverting witness on behalf of Queen Caroline at that lady's trial for adultery in 1820. A Mr. Charles Mills also gave evidence at the trial but an examination of his handwriting in the papers concerned with the trial in the Royal Archives at Windsor shows that he was not either of the Charles Millses in the Bank. The Duke of Buckingham elucidates the point further when he writes that the Villa was 'the property of a Mr. Mills, famous for having come over at the head of the Queen's witnesses during her trial, and as having perjured himself more than most of them, and now so well known that he can not come back to Rome; so the villa is let'. (The tenant for a short time was the eminent Anglican divine Edward Pusey.) It has not proved possible to establish the relationship between this Charles Mills and the banking family but it is virtually certain from family tradition and other sources that Charles Mills, the partner in Glyn, Mills, and his brother Francis were established in the Villa by the late 1820's.

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generally bright and garish with geraniums ; someone tartly said that the effect of the garden ' would reflect honour upon Hackney '.¹

The Villa was chiefly remarkable for its portico, supported on four columns of grey granite, painted in fresco by Raphael, which depicted Venus surrounded by nymphs. The Duke of Buckingham, after extolling the views of the city from the Villa, described it as ' the most enjoyable spot that I have seen in Rome '. A famous member of the English aristocracy, Lady Granville, after expatiating on the beauties of the Villa, thought that the only blot on this fair scene was the appearance of Mr. Francis Mills standing at the door. Like his brothers, he was dark and unprepossessing. (When the diarist Charles Greville was trying to describe the appearance of the Turkish Ambassador for posterity, he wrote, ' He is like Charles Mills — only better looking '.)

Yet these remarkable brothers were not without their attractions, for they moved with ease and distinction in the most entertaining circles of their time.

Henry Edward Fox, afterwards the 4th Lord Holland, who knew Italy and the English residents there with the knowledge of a connoisseur, wrote to his aunt about Francis Mills as follows :

I am sure Mills you will think amusing. He is remarkably well-bred and very obliging. I hope he will give you a breakfast. I think his breakfasts the pleasantest (not excepting those in St. James's Place ²) I ever went to, as

¹ Subsequently the Villa was acquired by a Sisterhood. It was eventually pulled down by Mussolini between the two wars.

² Samuel Rogers.

he always selects his guests so well, makes conversation go on so agreeably, and makes one doubly enjoy that lovely spot without any pedantry.¹

Both Francis and Charles were drawn by D'Orsay, and Charles was described in the friendliest terms by Lady Blessington. In the spring of 1828 she was walking in the garden of the Villa with 'our amiable friend Charles Mills' when Napoleon's mother, bent and aged, was announced. Lady Blessington could not resist pointing the moral of the mother of the modern Caesar walking amidst the ruins of the palace of his ancient counterpart. Undoubtedly the two brothers, then in their early thirties, led a carefree life with the English colony in Rome, and every English visitor of distinction seems to have paid their respects at the Villa. In those days a party would begin in a palazzo and end with a quadrille round the Coliseum, for as Byron puts it —

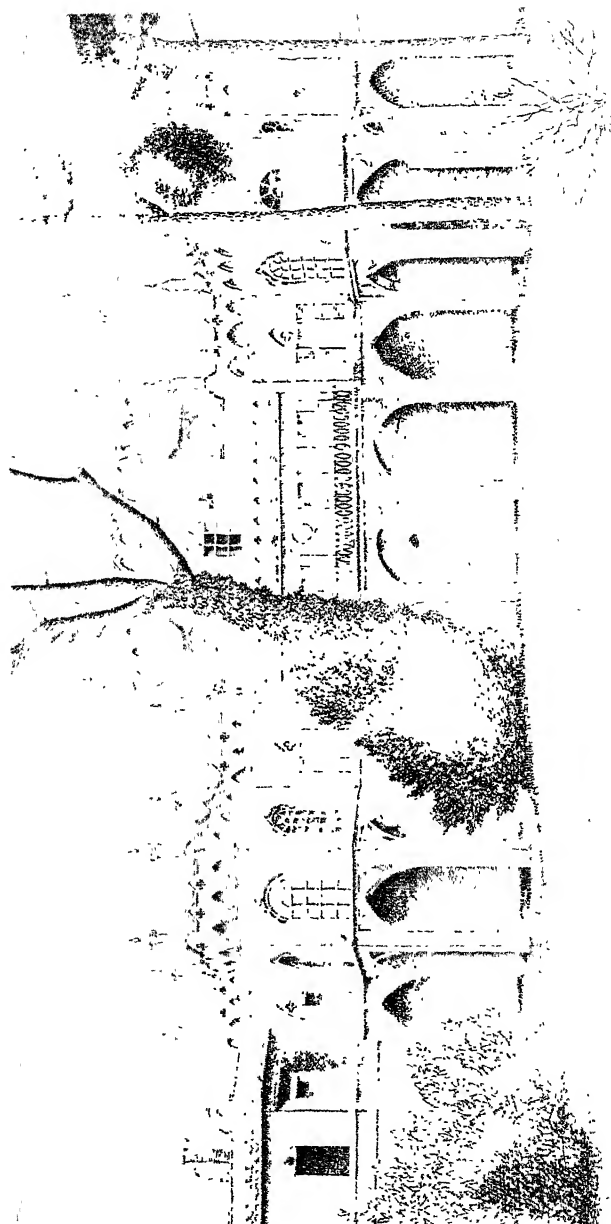
In short, such climbings, topplings, doings,
Among the new and ancient ruins,
Manners so playful, wild and skittish,
And pranks at Rome so truly British.

Across the years we catch the perceptive judgment of Lady Blessington on her friend Charles Mills — he possessed 'a highly cultivated mind, great suavity of manners, and qualities of the head and heart, that have endeared him to all who knew him'. He just steps before the public for an instant as Canterton in Disraeli's novel *Coningsby* where he is described as boring his fellow members at White's by constant chatter about

¹ From a letter in possession of Lord Ilchester.



Sir Charles Mills, Bt.



The Villa Mills, Rome

William the Conqueror and Julius Caesar. The records show that he joined the Club in 1817, and it has in justice to his memory to be said that he must have been a brave man to air his historical learning in such an uncongenial climate. But Mills's membership of White's is itself not without interest, for as Disraeli says in a later novel, 'The Garter and membership of White's are the only two things an Englishman cannot command'.

Yet it is strange that Charles Mills — the friend of D'Orsay, of the young Disraeli, of Lady Blessington and a now forgotten circle of wits — seems a distinct personality from the Charles Mills of later life — the senior partner in Glyn, Mills, the director of the East India Company and, after the fusion of the Company with the Government, a Member of the Council of India. Little remains to connect the Signor Carlo of Rome with the dignified Victorian of Lombard Street. There are at most suggestions. In the correspondence in Lombard Street in the 1820's there is a reference to Charles Mills 'journeying across the Alps'. One of Disraeli's earliest acts on becoming Prime Minister was to make Mills a baronet, and his son was among the subscribers to a portrait of Lord Lyndhurst by D'Orsay which was given to Disraeli.

There is also the pointer that Charles Mills was a collector of taste and judgment. He formed the splendid Hillingdon collection of *objets d'art* and French furniture, which is now dispersed, though pieces of it are cherished by his descendants.

While there was certainly nothing disreputable about the Villa, with its breakfast parties for English visitors

and saunterings through the English flowers, it was an unexpected background for the Bank — a surprising training for the Parlour. Yet, as many novels of Dickens and Thackeray emphasise, there was a fascination to the Victorian mind in respectability imposed on something more human — in some secret either dark or unexpected which sat like an imp on the shoulder of the sedate man of business as he inspired his family, his staff, his dependants with awe and veneration. The Villa at Rome is linked with the Gothic revival, with the Coronation of George IV and the Eglington Tournament or even with the Pavilion at Brighton in that it was an excursion in taste — an intellectual experiment by those who had the money for such adventures. As the years of the nineteenth century progressed the Mills family, and countless others like them, moved far away from experiments of this kind into conventional grooves of luxury and self-aggrandisement. As money became more plentiful the standards of comfort and elegance advanced at an alarming rate. Yet there were one or two signs of the young Charles Mills amidst all the plush prosperity of nineteenth-century England.

It was the custom for the directors of the East India Company at that time to preside once a year at an auction of some of the Company's goods — tea, silks, spices, in short all the spoils of the Orient. Charles Mills can be pictured with the hammer in his hand perched high among the throng of buyers, slightly amused at his elevation, but always careful to knock down a chest of the finest tea to his partners in the Bank at a bargain price.

In the 1850's his eldest son married a daughter of

Lord Harewood. The Lascelles family were supposed to dislike the marriage because of the City connexions of the Mills family. They would have agreed with the words of a languid Victorian snob who, when the removal of Temple Bar was under discussion, objected on the grounds that 'it is the only bawwier between ourselves and that howwid City'. Mrs. Charles Mills told her husband that she was afraid the Lascelles family would find the marriage a bitter pill to swallow. He drily replied, 'Then, my dear, we must gild it'. No doubt he did, and perhaps one who had walked with Madame Mère and jested with the great D'Orsay was not likely to be unduly impressed by a family whose principal claim to fame at that time was that they were of the first consequence in the thinly peopled wastes of the West Riding.

Thomas Hallifax the younger carried on the interest of his father, becoming a partner in 1796, when he was 21, and remaining with the Bank until his death in 1850 when he was the senior partner. He was a typical representative of the early nineteenth-century business man — contented with an existence bounded by hard work and good living. Men of his type shunned extravagance or self-advertisement, and unlike his father he sought no career in City politics or the House of Commons. Like Ruskin's father, 'the entirely honest merchant', he had what Ruskin called 'a love of solidity and soundness — of unveneered, unrouged and well-furnished things'. He appreciated what was good without frills and extravagances. Once when he gave a handsome present of madeira to his man of business at Bury St. Edmunds he explained that the wine, having

been to the East Indies, should always be 'set before the fire to increase its flavour'. While still in his twenties he married a lady of sound country stock, Maria Staunton, a member of an old-established Warwickshire family. For him as for the majority of his contemporaries 'life over the shop' had lost its charms and had ceased to be correct. He moved out to Blackheath where he and his family enjoyed the friendship of Princess Sophia Matilda of Gloucester, George III's niece, who was Ranger of Greenwich Park. To this rather sad spinster, 'poor Princess Sophia Matilda' as Queen Victoria called her, he gave a fine painting of Marie Antoinette, which he acquired in Paris. In middle life he bought Chadacre Hall — an estate in Suffolk where he took his place in county life. It was in his house while he was High Sheriff that the distinguished judge, Lord Abinger, who was on circuit at Bury St. Edmunds, was taken ill and died.

His principal interest in life was travel and the sea — perhaps derived from the boyhood delights of Margate with his father. He was a member of the Royal Yacht Squadron till he died, having been present when it was formed at a meeting at the Thatched House in London on June 1st, 1815. He owned in succession three cutters — his last of 84 tons was fitted with a patent water-closet in 1847, which must have made him in this field something of a pioneer.

As soon as Napoleon was defeated and travelling down France for exile and Elba, Hallifax crossed to Calais, and two letters to his wife describing his experiences have survived. He was at Dover when Louis XVIII embarked for the throne of his ancestors

MILLS'S AND HALLIFAX'S

with the Prince Regent waving him good-bye. Both corpulent men, they made a convivial picture together which was described by a scurrilous rhymster as

Two round, tumbellied, thriving rakes,
Like oxen fed on linseed cakes.

Hallifax was scarcely more polite.

Dover. Monday 25th April 1814.

MY DEAR MARIA,

You will be surprised to hear of us at this place after the show is gone by, but we preferred taking our time quietly today to that of running upon a lee shore when it was blowing *half a gale* of wind yesterday with the chance of being either by the crowd, or by any other means, prevented getting inside Calais Harbour. The departure of the Royal Yacht yesterday was altogether the finest thing I ever saw. Her sails were loosed as she passed the inner dock gates and she sallied out in the finest possible stile amidst the acclamations of the Spectators, and a roar of Cannon enough to deafen one. The P.R. had little or no respect shewn him by the people, *in plain clothes*, and passed nowhere without two lines of soldiers stationed to keep a passage for his dirty Barouche with a pair of Post Horses, the Public suffering ten times the inconvenience from these troops to any convenience they could be to him. When he left the Town 'the Cannon sounded upon the Battlements and the Trumpets Brayed', but no old woman (that I heard) said 'Gd. Bless him'.

I am sorry the People here are not quite satisfied with their Royal Visitor's keeping himself so much between Decks. It is a pity he was not advised to shew himself at a Balcony ; three condescending bows would have gained him the hearts of all the people who are now talking

about the expence they have been at in illuminating for him and seem to think more of the 'Cause' than the Man.¹

Be that as it may, it was a glorious day for old England, and I did not *grumble* at the expence of my illumination.

We propose to jog quietly over to Calais today, where I hope we shall find Sir William Curtis² who went an hour *before* the Yacht yesterday to be in time on the other side. If he lost that he lost all. A whole fleet of Yachts went with the King. I hope they might get into Port, if not they must have had a dreadful time of it in Calais Roads.

Yours affectly,

T. H.

P.S. Tom³ desired his love to you all, pray accept mine.

Calais. April 25th, 1814.

MY DEAR MARIA,

Here we are in France! Who would have thought it? The Harbour full of Yachts and the place seemingly all alive, notwithstanding the Rain. The Jettie was full of people to witness a new arrival. The Town I have not yet seen. If the weather mends tomorrow I shall promenade the Town of course. Sir Wm. and his party I have just seen, they talk of sailing tomorrow, but if the wind continues, they cannot I think, get out.

The King is still here, but I hear departs tomorrow morning. A young man who was on board amongst the number that swarmed the Decks when we came in, told me his Brother is just arrived having quitted Buonaparte, who he said was gone off with about 1000 Men and two small pieces of Cannon ; but you are likely to learn more

¹ Louis XVIII, owing to his obeseness, had difficulty in standing, which was the explanation for his not appearing on deck.

² He was the founder of the banking house of Robarts, Lubbock and Company. A very strong Tory and the friend of George IV, he shared with Hallifax a passion for the sea.

³ His son.

upon that subject, or I suppose any other, than I can tell you from hence.

A pilot I conversed with said, (what I dare say is the opinion of the people at large) when speaking of the change, 'C'est mieux pour nous, et mieux pour vous'. There is a place in this Harbour called Paradise. I told one of my assistants, a very decent well behaved Man, 'everyone wished to be in Paradise'. He said 'everyone who deserved it would be there at the end of the World', and when, to try what he would say, I observed 'There was a Man who might not get there', he only answered with a good humoured smile. All which inclines me to think the Restoration is considered by them as far as the English are concerned, to be quite as much an object to us as to them, and perhaps they are not far from the mark.

We came here in about 3 hours from Dover, there was a little swell from the wind that has blown, but we had not much wind today. Rain enough, it is pouring now and has done most of the day.

Sir William Curtis talks of going to Flushing, but unless circumstances are very inviting I shall not accompany him.

The New Master is an acquisition. I like him very much and have nothing to complain of as yet. We have had but little smooth water out of Port, the Sea was violently high in passing the South Foreland on Sunday Morning and washed our Decks handsomely for us, but we were repaid by the sight on opening Dover. The Harbour was gaiety itself, and the Road quite alive with shipping of all sizes. There is something, too, in the Character of the scenery there, aided by the state of the sky at the moment, which gave a Grandeur to the whole hardly describable.

As I anticipated there was some damage done by the whipping and cutting to get in here yesterday, while we were very comfortable at Dover, where we met with an

GLYN'S: 1753-1953

adventure, a specimen of old-fashioned hospitality which delighted me very much. A very heavy shower of Rain fell. I had landed with Tom on the beach and walked into the Town. We had neither greatcoat nor umbrella and seeing a door opened begged permission to stand in the passage out of the Rain. The Master of the House made us sit down in a comfortable room, offered us refreshment, and treated us with every civility. I told him how we were situated, and he insisted that we should come again if the Yacht did not get into the Harbour. In walking out with him we met 2 of the Partners of the Sandwich Bank. He soon made out that he knew several people I did and so much pressed our partaking of his joint of Meat and treated us with great hospitality without any form or ceremony. We found him a very intelligent pleasant Man, and one of the most respectable in Dover.

-Yours,

T. H.

CHAPTER SIX

METHODS OF BUSINESS

IN the great days of Sir Richard Carr Glyn, which roughly correspond with the Revolutionary Wars, the Bank's history is really the story of the development of an efficient and workmanlike business machine. A study of the Bank in the eighteenth century gives the impression of something rather haphazard — depending primarily on the whims and fortune of the individual partners. Under Sir Richard Carr Glyn the Bank begins to emerge with a character and personality of its own. Moreover, as a result of the storms through which the country was passing, the banks became more closely linked with the Government — more definitely a part of the central machine of the nation. With the advent of Pitt's war-time Governments which led in 1797 to the substitution of paper currency for gold and also led to the increasing dependence of the Prime Minister on the private banks as well as the Bank of England for loans to finance the war, the banks and the Government were closely intertwined.

In this connexion two points deserve to be emphasised. The first is that the relations between the private banks and the Bank of England grew closer. The development of the Bank of England's special responsibilities, particularly as the Government's banker, meant that it could not afford to let other banks go down

indiscriminately in time of difficulties. It became quite early a 'lender of last resort' to a select few of the other banks because wholesale bankruptcy in London would have plunged the Government itself into financial embarrassment.

During the eighteenth century only a handful of private banks had kept an account with the Bank of England, but by the beginning of the nineteenth century most of them had such accounts. Glyn's opened their account on January 21st, 1799, with a deposit of £30,000. The reason for Glyn's account with the Bank is partially explained by the desire of private banks for notes with a wide circulation. At that time Bank of England notes had a general circulation, while the notes of private bankers in London had only a metropolitan circulation.

The other point is that the enlargement of taxation meant that bankers, however much they might groan over taxes as individuals, found that as business men it brought custom to their House. For example, the Receiver-General of Taxes for the City, for Westminster and for parts of Middlesex kept his accounts with Glyn, and it is agreeable to record that not all the perquisites of this fell to the partners, since a clerk in the Bank, William Dobson, was appointed the Deputy Receiver-General. This profitable account came to the Bank through the Mills family — since the Receiver-General (Lord Hood) had married one of their relations. Lord Hood subsequently achieved scandalous notoriety by accepting the office of Lord Chamberlain to Queen Caroline during that lady's trial for adultery. But of this eminent tax-gatherer it is pleasant to remember

Brougham's verdict that both he and his wife were 'invaluable friends and servants' to the unhappy Queen. Under this account the first receipts from the Income Tax, when it was started to finance the war against Revolutionary France, were paid in to Glyn's on July 4th, 1799.

Both these developments tended to bring the private banks into the orbit of Downing Street. Sir Richard Glyn was, as has been explained, a warm admirer of Pitt, and it was to men of his calibre as well as to the dignitaries of Threadneedle Street that Pitt turned for support for his various loans, in the early years of the French wars. The precise extent of the political influence which bankers derived from these ties has teased the minds of certain ardent spirits from then to now and can fittingly be left to the judgment and opinion of each individual. Byron was among the first to sound the tocsin by asking, in *Don Juan*, who really controlled the destiny of Europe. He answered his question by saying that it was Rothschild and Baring. The immediate point to notice is that this association with Government led to an increase in the efficiency of banks. Signs began to emerge that banking was a profession to which a man would be well advised to bend all his energies and apply all his working time.

The great, the significant, the almost revolutionary progress of Glyn's which took place during this period is explained by the emergence of the country banks. They of course are not to be confused with land or agricultural banks and should perhaps be more precisely defined as provincial banks. When Glyn's opened it is certain that they were the London agents

for no provincial banks at all, and over the first forty years of their history they probably acted regularly for only some 3 or 4 country bankers. Now, after the suspension of cash payments in 1797, there was a great increase of banking, but not (so far as London was concerned) of banks. In 1797 there were 69 bankers in London: ten years later there were 73. The great flood of new banks was in the country. In 1797 there were 230 country banks and in 1808-9 there were 800.

What made for the pre-eminence of Glyn's during the first fifty years of the nineteenth century was that the partners laid themselves out to attract and maintain the London agency for a great number of country banks. The complete list of them will be found in Appendix III, and in the early 1800's Glyn's were probably agents for at least 40 of them. Originally there was a personal reason to explain why each of the banks was thus connected with Glyn's. In 1797 Sir Richard Carr Glyn gave evidence before a Parliamentary Committee, whose deliberations really paved the way for the suspension of cash payments. He was asked in what parts of the country did Glyn's have their connexions with country banks. He replied, 'Scotland, Northumberland, the West of Yorkshire, Warwickshire, Cornwall, Dorset and Kent'. Each of these can be explained on a personal basis. Scotland had been one of the financial preserves of the Bank since the 1760's. Northumberland was explained by the Carr of Etal connexion, and particularly the solid banking family of Bigge of Newcastle into which Carr the silk mercer had married. The West of Yorkshire — no doubt a loose term for the West Riding — is explained by both Hallifax and

Mitton being born and brought up there. Warwickshire was at this time a Mills stronghold drawing on that family for rectors, Members of Parliament and rich, upstanding, though not handsome, bridegrooms for its landed families. Cornwall was where Sir Richard had his Parliamentary seat, and it is possible that the Cornish Glynn's (though they were not related to Sir Richard) may have been drawn to their prosperous namesakes. Dorset was where Sir Richard had his country home. Kent was the home of the Plumptres, and there is no doubt that the connexion with the Sandwich Bank, to which reference has already been made, was due to the Plumptres, whose house at Fredville lay between Sandwich and Deal. All this goes to show how much in those days turned on these personal ties. There were no published balance-sheets of any sort by which to judge the soundness of a business. Everything depended on the integrity of the partners ; and where their money was concerned people trusted those whom they knew something about. This gives rise to the reflection that the Bank derived great advantage through marriage. Invariably the partners made the most judicious selection. Like the great imperial House of Habsburg they built up their far-flung Empire of Country Banks on a succession of fortunate marriages.

Sir Richard Carr Glyn was further asked by the Parliamentary Committee to define the connexion between his House 'and the Country Banker with whom you correspond'. He replied, 'I consider myself as an Agent to the Country Banker in Money transactions'. He went on to say that Country Bank bills were drawn on Glyn's, and that Country Bank notes

were made payable at Glyn's. He added that this latter practice did not apply to all the banks but chiefly to those in Warwickshire, Dorset and Kent and to the Barnsley Bank.

The correspondence of Sir Richard which has survived sheds an interesting light on the relations, formal but sensible, which prevailed between him and his business associates. His clear and unadorned prose-style might well be used for a model by the modern generation of business men whose meaning is often impaired — and sometimes smothered — by a mass of loose verbiage.

In 1792 Sir Richard wrote to J. and R. Watson, the Glasgow bankers, pointing out that their transactions were 'commonly run so close' that Glyn's often had to advance them money.

Your draft for £3,000 at one day's date was brought for payment early in the morning of the 8th, and the remittance from Scotland was not received until one o'clock. . . . We will just hint that the balance of your account is so fluctuating that the advantage which ought to arise from a Country Account is lost in yours. Where no commission is charged, a certain sum should constantly lay upon the Account.

Messrs. Watson could not be brought to see Glyn's point and changed to another agent, but there was no recrimination, Sir Richard writing :

As we observe you can not make it convenient to keep it in any way agreeable to our wishes, and on that ground mean to finish the connection, we leave it entirely to you to wind up the account in any manner that may be most

suitable to your concerns, as it shall be our study to give you every accommodation in our power.

To Surtees, the bankers of Newcastle, Sir Richard wrote in 1795 to complain that they were giving commissions for buying and selling stock to a third party. He reminded them that they had agreed to leave a deposit of £15,000 with Glyn's against transactions of £800,000 a year. Sir Richard explained that it was a small advantage to them, on which they had calculated when making the agreement, to be able to offer the stock transactions 'to some persons with whom we were connected in business'.

Surtees evidently replied that it was a matter of no consequence to them and Sir Richard replied :

We are favoured with your letter of the 11th inst. in reply to which we have at present nothing particular to remark, but to confirm your idea of our being at all times incapable of making any misrepresentation of facts, and to say that as you estimate the circumstances of the Brokerage of no importance, we shall in a few weeks pursue the former mode respecting your commissions. . . .

It has never been, or is it now, our wish to cramp you in the circulation of business, nor is it necessary on our account you should put yourself to inconvenience in reducing the amount. In conducting the account hitherto, liberality has been our object, and in future we mean not to depart from that line. . . .

A superficial reading of that letter might suggest that it was sarcastic and filled with hidden barbs. In fact it meant exactly what it said — a frank and friendly summary of the case, without reservations as characterised the dealings of one gentleman with another.

To John Likley, Cashier of the Paisley Union Bank, Sir Richard wrote discussing the question of substituting a Deposit instead of a Commission.

Nov. 18th, 1795.

Referring to your letters . . . we shall now reply to those parts which relate to the substitution of a Deposit in lieu of Commission for the trouble of transacting your concerns, and after some consideration bestowed on the subject in which we trust you will not think we have regard to our own interest without attending to yours also.

First we shall remark upon that part of the plan suggested by you of our paying an interest of 4% upon the balance beyond a certain sum to be fixed, to which we confess we see some objection inasmuch as by your throwing occasionally considerable sums upon us, the interest may amount to so much as to subject us to a loss, for our business in London cannot possibly be conducted as to enable us to make an immediate advantage of temporary deposits, and therefore, was this system to be adopted, we might be under the necessity of naming such a sum for a deposit as might appear to you either unreasonable or unsuitable in order to guard ourselves against loss.

But wishing to act upon the most liberal terms, and impressed with a strong desire to accommodate you in carrying on your concerns to advantage, we shall submit two propositions for your consideration and choice. The first is to fix the commission at $\frac{1}{8}\%$ instead of $\frac{1}{4}\%$, taking your calculation that the annual amount will not be less than £60,000; in other respects the old terms to remain.

The other is to debit you at the close of every half year £50, allowing you to draw back to that amount for interest at 4% upon the money in our hands, and in this arrange-

ment we shall admit of the account running to the extent of £100,000 annually without subjecting you to further charge. And we will add also that after Xmas next you will not be liable to postage.¹

One of these plans now submitted we doubt not you will deem sufficiently reasonable and eligible to adopt, and wishing to hear your determination, etc.

This correspondence indicates the methods by which the Bank at this time derived its profit on these agency accounts ; either by charging a commission on turnover, the rate varying as to whether they allowed interest or not, or by insisting on the keeping of a minimum balance on the account which they could then use to advantage. The choice of either method, or a combination of them, was left to the individuals concerned. Emphasis was generally laid on the 'free balance' method, and in general the same procedure continued until the second half of the nineteenth century when a fixed sum for commission became the more normal practice.

The remarkable growth of business under Sir Richard Carr Glyn is shown by the number of clerks employed in the Bank. When the Bank reopened after the misfortunes of 1772, 6 clerks were employed. Twenty years later the number had crept up to 8. When the war began in 1793, 9 clerks were employed. When Trafalgar was fought and won the number had sprung up to 23, and by the time of Waterloo it was 36.

¹ This is possibly due to Sir Richard's intention to enter the House of Commons whose members were entitled to free postal franking. He was in fact elected in 1796.

The total salaries paid in that year for the 36 clerks was £3662 : 9 : 4. In addition there was the Head Clerk or Manager, who received £600 a year. He was paid separately from the rest of the staff and had considerable responsibilities. He kept the partners' correspondence, and in general matters had authority to deputise for them. From 1805 until the end of the war the manager was John Johnson, and his successor was Henry Carter.

The staff in general were paid an initial salary of £35 a year if they 'lived in' or £75 if they lived out, and with annual increments of £5 — or very occasionally £10 — they rose to about £100 a year. After that progress was slow, and in 1815 only 4 clerks were receiving more than £120 a year. The £40 deducted for board and lodging if they lived in compares with the £25 allowed when the Bank started, and was apportioned as £30 for board and £10 for lodging.

The starting salary had been £30-£70 prior to 1815, and remained at the new figure until 1841 when it jumped to £55-£100.

Their salary was, however, supplemented by a curious private benefaction — known as the Christmas Fund. From the earliest days the customers of the Bank had always made a generous oblation to this fund and in 1815 £1085 : 14 : 6 was distributed among the clerks from this source.

Necessarily they lived within easy reach of their work. One or two adventurous spirits came from as far away as Islington and Hackney, but the majority lived within easy walking distance so that the heavy modern expense incurred for fares did not enter into

their calculations. And the rigours of a journey by stage-coach proved less alluring to them than does its modern counterpart to their descendants.

As a class the clerks in the banks were not highly paid, nor were their future prospects sufficiently rosy to make up for this. It is true that in the eighteenth century a clerk had some hopes of a partnership, but after Parry, who was taken into partnership in 1796, there is no other instance of a clerk being made a partner in Glyn's. The bank clerks during these critical, formative years of Glyn's were an interesting species of the human race — perhaps extinct and certainly not easily understood in the bustling, competitive years of the twentieth century. They were always taken on personal recommendation, and the principal virtues demanded of them were neatness of writing and honesty. They gave the impression of having been devoted servants of the House, proud of the confidence placed in them and grateful for the security and respectability of their perch in life. In the City at this time it was certainly possible to obtain far more responsible and lucrative work than the banks could offer, but in the process it was fatally easy to be drawn into dubious and insecure businesses, and to be carried on the tides of failure into the tragic, down-at-heel world of the jostling, starving clerks who had once known better days. In the Age of Napoleon, at any rate in England, a modest livelihood with security had powerful attractions. The bank clerks were typical of those whom the poet had in mind when he wrote

Their sober wishes never learn'd to stray.

Perhaps the best description of them is to be found in the sympathetic picture drawn by Lamb :

His dress is plain without singularity ; with no other ornament than the quill which is the badge of his function, stuck under the dexter ear, and this rather for convenience of having it at hand, when he hath been called away from his desk, and expecteth to resume his seat there shortly, than from any delight which he taketh in foppery or ostentation. The colour of his clothes is generally noted to be black rather than brown, brown rather than blue or green. His whole deportment is staid, modest and civil. His motto is Regularity.

The working life of a clerk in Glyn's was divided between the Bank and the Clearing House.

The Clearing House as a recognised organisation began about 1770, though the practice of exchanging drafts had been going on unofficially for some years, a practice developed by the clerks themselves for their own convenience. Some believe that the clerks of Glyn's can claim to have assisted in the original scheme, but whether this is true or not, the partners were among the first to support the official Clearing House, and when a Committee of six was set up in 1805 to recommend improvements, Sir R. C. Glyn was one of its members. As such he signed the Committee's report which proposed a new plan for settlement, and concluded with a request that it be 'cordially supported by those Bankers who send to the Clearing House, and directions given to each Clearing Clerk . . . to discourage that noise and confusion which hitherto have prevailed'.

In a legal action in 1807 the working of the Clearing House is clearly shown. A witness explained that

100 GUINEAS *Reward.*

CHATHAM, JANUARY 5, 1813.

WHERAS some evil disposed Person or Persons have falsely and maliciously raised a Report, that the House of SIR RICHARD CARR GLYN and Co. Bankers, Birchin Lane, London, the Correspondents of the House of DAY and Co. Bankers, of these Towns, had Stopped Payment, and that the latter House had in consequence followed their example; and the same being not only highly prejudicial to them as Bankers, but TO US IN PARTICULAR AS TRADESMEN, we do hereby offer the above Reward to any Person or Persons, who shall give information of the Person or Persons so offending, so as that he or they can and shall be made amenable to the Law, for such his or their gross misconduct.

*A. C. Windeyer,
Wm. Acworth,
Wm. Horn,
Daniel Smith,
Samuel Lynnell,
J. & T. Brindley,*

*Acworth & Mathews,
George Osborn,
Thomas Chany,
W. Ashenden,
Robt. Pratt.
C. & W. Townson.*

POSTER OF 1813

Glyn's had a drawer in the Clearing House in which clerks of other banks placed drafts on Glyn's which they wished exchanged for credit. Glyn's clerk (who in this instance was Dobson — Lord Hood's deputy tax-collector) periodically cleared the drawer and the contents were 'sent home'. This rather dubious phrase meant that Dobson took them back to the Bank, gave them to the Head Clerk (Carter) who decided whether to pay or not. The witness added that those which Carter refused were sent back uncanceled to the Clearing House before 5 o'clock. The final settlement was made by notes and cash between bank and bank.

This almost casual reference to the refusal of cheques illustrates the perils of commercial life in those days. A study of the cases in both civil and criminal courts of those times would show how loose were the standards of business rectitude, and it would be no exaggeration to depict the banker as walking warily with crowds of bankrupts and thimblerriggers pressing round him.

The prevalence of forgeries led the bankers in 1826 to form themselves into an Association for their mutual protection, with the establishment of a common fund for that purpose. Glyn's had been fairly fortunate up to now in this respect, though two men had paid with their lives for attempting to defraud them. The first was James Clark who, in 1795, was capitally convicted for forging a draft for £22. The second occasion was in 1813 when Robert Kennett, for a similar offence though for a larger amount, was executed in the Old Bailey, where 'The unhappy man was brought upon the scaffold dressed in a plain suit of mourning, and attended by the Ordinary of Newgate. . . . He appeared to be

perfectly resigned to his fate, which he met with becoming fortitude.'

These dangers — possibly more than any other single factor — welded the partners into a far firmer comradeship than was usual in other commercial connexions. From surviving correspondence it is clear that Sir Richard Carr Glyn, Mr. Hallifax and Mr. Mills were by no means always in accord — especially where their family interests were concerned. But the confidence between them enabled them to state their difference perfectly robustly in the knowledge that good sense would triumph over feelings and *amour-propre*. Although dealings in money are often supposed to be destructive of the ordinary feelings of humanity, this is but a superficial view of the matter. The truth has been well expressed by a contemporary of these partners in Glyn's, Sir Henry Taylor — a distinguished though now forgotten author and man of affairs. He wrote :

He who knows, like S. Paul, both how to spare and how to abound, has a great knowledge : for if we take account of all the virtues with which money is mixed up — honesty, justice, generosity, charity, frugality, forethought, self-sacrifice — and of their correlative vices — it is a knowledge which goes near to cover the length and breadth of humanity.

CHAPTER SEVEN

THE DAWN OF STEAM

WHEN he was 70 Sir Richard Carr Glyn lived to see the Bank, which he had patiently nurtured and carefully tended, subject to the stress of a general panic — in comparison with which the events of 1772 (which he could just remember) must have seemed a trifle.

The exact causes for the calamities of 1825 have never been precisely determined. Some have argued that the Bank of England was to blame, some that the nation had been over-trading, others that the agricultural interest and a run of bad harvests were at fault. At the time a few argued that a feeble but well-intentioned Chancellor of the Exchequer — known alternatively as Prosperity Robinson or Goody Goderich — was the villain. Mr. Alexander Baring, a Conservative and free-trader, and one of the architects of Anglo-American friendship, propounded in Parliament that the country's troubles were due to tariffs. A later generation of economic writers, delving into these matters, evolved the theory that Great Britain was the victim of a periodic but inescapable cycle of depression. No doubt all these and other causes played their part, but perhaps the most significant reason (though it has been the least explored) lay in the volatile and unaccountable nature of man. A course of action which

one day seemed wise, prudent and calculated to bring a steadily increasing reward appeared the next day as utter folly from which the investor must extricate himself at whatever cost forthwith. It was one of those imponderable losses of confidence against which the banker's only protection, like a child in an epidemic of measles, lies in a good constitution.

Thomas Love Peacock in the preface to his entertaining if somewhat scurrilous *Paper Money Lyrics* described the events of the winter of 1825 as an influenza 'to which the beautiful fabric of paper-credit is periodically subject'. He went on to say that this was sometimes called 'commercial panic by citizens', 'financial crisis by Politicians' and the 'Day of Reckoning by the profane', among whom he doubtless included himself.

Yet whatever species of name is given to distinguish the widespread business failures of that winter, there was only one antidote to them. That lay in the sound foundation and prudent conduct of each concern. Thanks to Sir Richard Carr Glyn, and his forerunners in the partnership, the Bank was well endowed with these requisites.

The crisis developed with alarming suddenness during the week-end of December 11th, and on that day (a Sunday) partners in London banks were called from their devotions in church to deal with an exceptional demand for gold from the country banks for whom they were agents. The story that the Bank of England was kept going by the timely discovery of a forgotten box of £1 notes is not apocryphal. For two days it was impossible to deal on the Stock Exchange even in Exchequer Bills. When eventually the storm subsided

six London banks and more than sixty country banks had been swept away in its wake.

To English people of an earlier generation those dark December days were known with succinct accuracy as The Panic. The gifted writer Mr. Stanley Weyman, in *Ovington's Bank*, has faithfully captured the horror of the crisis as it struck the country banker of average courage and honesty. He shows that these country bankers looked on their business as one of the means by which the country was emerging from a primitive agricultural society to an organised industrial one. They looked on themselves as something more than traders, for were they not benefactors of mankind? A financial collapse conjured up the possibilities of a return to that primordial existence from which they had painfully climbed. Mr. Weyman puts into the mouth of his banker this point of view when he makes him say to his son who had expressed a wish to go into farming, 'Go back to the clodhopping life from which I lifted you? Peddle with pennies and sell ducks and chickens in the market?'

Again Mr. Weyman puts a penetrating remark in the mouth of one of his characters when he makes him say, 'In crises men and banks age rapidly: they are measured rather by events than years'. Although the Bank itself emerged unscathed from those terrible December days—for only two of the banks which failed had accounts with Glyn's, and such loss was quickly made up by new Country Bank accounts formerly kept with London banks which had failed—they had imperilled the structure and weakened the constitution of English banking. Like the human

frame, afflicted with a serious disorder, English banking had visibly lost something of its carefree youth.

For the next few years the attacks in Parliament, the newspapers and in pamphlets against British banking were sustained and severe. They were particularly directed against the Bank of England and the exclusive powers of that institution to issue pound notes in London and a wide area round it. These attacks, which were noisy immediately after the crisis of 1825, rumbled on for several years and then broke out again in 1832 when the Charter of the Bank of England was due for renewal by Parliament. As was usual, a Parliamentary Committee sat in 1832 to report to the Government, after hearing evidence, on the working of the Bank of England. This Committee drew attention to yet another remarkable member of the Glyn family, who was by this time a force in Lombard Street.

George Carr Glyn who was born in 1797 was the fourth son of Sir Richard Carr Glyn. His eldest brother, Sir Richard Plumptre Glyn, was already in the Bank; his next brother, Robert, made the unlucky marriage with Lord Baltimore's granddaughter; and his third brother, Thomas, was at the Bar. As a boy and youth he must have shown a decided aptitude for Lombard Street which determined his father to take him into the Bank partnership — in preference to his two elder brothers. He was educated at Westminster School and he went from there straight to the Bank. In 1816, when he was only 19, he was writing from Lombard Street to his father of the advantage of selling India Bonds and buying Consols. In 1819, when he was 22, he became a partner in the Bank.

In the thirteen years between his becoming a partner and giving evidence before the Parliamentary Committee in 1832, two powerful trends were making themselves felt in economic thought concerning banking. One of these trends was in the direction of reducing the power of the Bank of England, the other was in the direction of making easy the creation of joint-stock banks, which were thought to have the advantage over the private banks that their liability was spread over many shareholders rather than over six or less partners. The private banks were, of course, in effect, limited in liability to the fortunes of the partners. Although the course of events since the 1820's has greatly favoured the joint-stock banks, and in a sense the future lay with them, that will not blind the perceptive reader to the disadvantages inextricably bound up with their virtues. It was on these disadvantages that Glyn spoke before the Committee ; he was followed with the closest attention.

He first emphasised the advantage to London bankers of having a single London bank of issue in the shape of the Bank of England. If there were several banks which had the right to issue notes, the London bankers would have greatly to increase their reserve holding of notes because a bank was compelled to pay its customers in whatever notes they wished. If his own bank paid out in gold, which would have been the alternative to stocking notes of various banks, he did not think that it could conclude the transactions of each day 'within the 24 hours'.

He went on to explain that the current funds of a London bank were held in three forms—gold, notes of the Bank of England and a deposit with the Bank of

England. He agreed that the balance with the Bank of England was regarded as 'so many Bank-notes in the till' and he agreed that the intercourse between his House and the Bank of England was 'hourly'. Under pressure he denied that his House had any feeling of dependence or obligation towards the Bank of England, and he added, 'speaking for the London bankers generally we rather consider ourselves the very best customer, except Government, which the Bank of England has'. He also said, 'The Bank of England, as a bank of issue, in connexion with the private bankers as banks of supply to the trade of London forms a system which could not easily be improved'. When he was asked whether all his evidence was based on the supposition that the directors of the Bank of England would always do that which was right, he drily observed, 'We must argue sometimes upon the supposition that people in public station will do their duty. . . .'

The great advantages of private banking as against joint-stock banking had been summarised by the Country Bankers' Association in this sentence that 'All Joint Stock Banking Companies aim at making all cases conform to their established rules; while the very essence of the principle of a Private Banker is, that he makes a rule for every case'. Emphasising this, Glyn dealt with the relation between the London private banker and businesses which were none too soundly established — what he called 'the second-rate class of traders'. No public body could have access to those sources of information enjoyed by the private banks on which the decision to grant or withhold a loan was based. He then described how customers with

established businesses often came to Glyn's, without the least notice, and said, 'Put £5000 or £10,000 to my account'. He was confident that such arrangements could not be made with the requisite speed and secrecy by public establishments. He depicted the best clients of his bank, which he called 'the first mercantile houses in London', sending across to Lombard Street for loans to execute orders received from abroad, or perhaps to export bullion and other commodities. He then added a point in favour of the private banker which has not been diminished by even the passage of 120 years. He did not feel that these potentates of English commercial life would come forward for loans with the same confidence and alacrity if they knew their claim was to be considered by a board of directors which might include their own business rivals. He felt that banking was best administered by those who had devoted their lives to it. In particular he argued that the joint-stock banks were not suited for London — 'the great centre to which all the money transactions of the Empire point'. He was finally careful to draw a distinction, which has been previously made in this book, between banks, such as Glyn's, which existed to finance commerce, and those like Drummond's and Coutts's which principally held the accounts of individuals and country gentlemen. In characteristically guarded language he said, 'I should conceive it a totally different sort of business'.

After his evidence was over Glyn must have been delighted to receive a letter from the Chancellor of the Exchequer which contained this sentence, 'I consider that Gurney's evidence and yours was the best practical

evidence we had, and I am confident the public will think so generally'. Gurney was the bill-broker Samuel Gurney — the enlightened patriarch of Earlsam.

The Chancellor of the Exchequer at that time was Lord Althorp, famous as an agriculturist and the founder of the Royal Agricultural Society. He was once acidly described by a diarist as 'more of a grazier than a statesman'. But uncouth and blundering as he was he won men's confidence and affection (intangible though not invaluable assets for a Chancellor of the Exchequer) by his sincerity and understanding of the essentials of a problem. Public life can provide few truer friends to the traditions of English banking than Althorp. When he introduced the Bank Charter in 1833 men were startled and thought he had completely surrendered to the Bank of England. In fact a closer study of the Bank Charter showed that he had mastered the point which Glyn so effectively made in evidence that banking in London could best be based on the twin foundations of the Bank of England and the private banks. He did what was possible both by the Bank Charter of 1833 and in the following year when the London and Westminster Joint-stock Bank was started to resist the advance of this species of banking in the capital. This should not be attributed to prejudice, for Althorp perhaps saw, what has been forcibly pointed out by one of the greatest of modern economic historians, that if liability in the joint-stock banks was unlimited, so, only too often, was the inexperience of those who worked them.¹

Of Peel's Bank Act of 1844 Glyn was a stalwart

¹ Sir John Clapham.

opponent. This measure virtually destroyed 'the system which could not easily be improved' — as Glyn had described it twelve years previously, for it limited the note-issuing power of the Bank of England to £14,000,000. Peel's Act was generally condemned by many of his contemporaries — especially as he was at that time greatly influenced by the writings of Samuel Jones Loyd who was subsequently created Lord Overstone. This worthy, whose father had given up revivalist preaching in Wales for the counting-house, was one of the richest men of mid-Victorian England, but his horizon was perhaps constricted by personal advantage. Although the story told by one of Glyn's partners about him may rest on slender foundations of truth, it illustrates what people thought of him. 'I remember to have been told in some time of panic Mr. Glyn sold a part of his Consols at a fraction under the price of the day, in order to help a customer, while S. J. Loyd, chuckling to himself as he bought the Consols cheap, buttoned up his pockets and allowed a perfectly solvent firm, which banked with him, to suspend payment.' His influence over the mind of Peel was unfortunate.

When the first big crisis developed after 1844 — that of 1847 which was caused by over-speculation in railways — Lord George Bentinck said that it was in large part due to 'the money changers and usurers, to Jones Loyd, Peel and Co.' For his part Glyn contented himself with the prophecy that the Act of 1844 would sooner or later bring 'fearful mischief'. In fact the Bank Charter Act of 1844 had on occasions to be suspended, and the point of Glyn's criticism of that Act

was that the decision to suspend and thereby increase the note circulation should lie with the Governor of the Bank of England, not in Downing Street. He expressed this in many debates in the House of Commons during the 1850's.

But, in the long run, the defence of the private banker against the joint-stock banks could not depend solely on the favour of Whitehall. The private banker had to strengthen and expand his business. Size was ultimately the only effective answer to the joint-stock bank. George Glyn was accustomed to say that he hoped to make Glyn's the bank with the largest business in London. This he achieved, and to appreciate one of the principal means by which he did it, the reader must look back some years before the Bank Charter Acts of 1833 and 1844.

Perhaps it could fairly be said that the clue to the wealth of Victorian England lay in the mobility of commodities and of goods and (to a lesser extent) of persons. George Glyn realised this essential truth, and credit for his foresight must be given to him as the matter was not so obvious as it is to us who know the sequel. As a youth he kept a travel diary describing a pious peregrination, made in a carriage with his mother and father, to the seat of his forebears — the Glynnnes of Hawarden — and to other less civilised regions in pursuit of more illustrious ancestors in the shape of misty Kings of Wales. Perhaps it would not be fanciful to suggest that this long-drawn journey, on the discomfort of which he frequently commented, was not without its influence in directing his mind to the necessity for revolutionary changes in transport.

At the age of 28, when he had only been six years a partner in the Bank, he was at the head of a project for a new dock in London to be known as the St. Katharine Docks. The Docks of London, throughout the eighteenth century, were mediaeval in their simplicity. All the great, historic names in the Port of London — East and West India, Commercial, London and Surrey — were built during the twenty-five years which followed the outbreak of the French Revolution. During that period some of these docks, in particular the West India, had certain exclusive restrictions. When these were about to expire, the question was reviewed by a Parliamentary Committee which reported in 1823 guardedly but unmistakably in favour of open competition among the various dock companies. At once the promoters of the St. Katharine Docks, which were to be built just east of the Tower, stepped in and were eventually successful in securing an Act of Parliament to build the dock. They based their case on the fact that in 1824 there were nearly 16,000 ships mooring in the river, and that there was also a need for increasing warehouse accommodation close to the City. The difficulty was that it meant destroying an ancient religious foundation with a beautiful church, a fine hospital and a great number of small houses. But in those days the claims of religion, of the aged and of the householder were little accounted against the needs of commerce. Church, hospital, houses were all shovelled away and the new wet-docks lay gleaming in their place.

George Glyn, his father and his partners were all large subscribers to the capital for the new docks. Glyn's were appointed bankers to the Company, and in



The opening of St. Katharine Dock — 1828

the early days they advanced money against the debentures and other securities of the Company. Between 1829 and 1831 the Bank advanced over £150,000 for the construction of the docks and the erection of the various buildings. The Company banked with Glyn's for many years. But the interest of this particular venture in the history of the Bank cuts somewhat deeper than the mere conventional connexion between a business customer and his banker.

The St. Katharine Docks were really a tangible expression of the new and scarcely fashionable policy of Free Trade. This had first assumed shape in a petition to Parliament from the City of London which had been presented by Mr. Alexander Baring in 1820. The masterly statement of the case, on which this petition rested, was prepared by Thomas Tooke whose *History of Prices* was to have a profound influence on the opinions of all practical men in the City. Baring was a subscriber to the funds for the dock, Tooke was chairman of the Company and Glyn was treasurer. There is also no doubt that Glyn's association with these progressive minds behind the St. Katharine Dock project paved the way for what was to be his chief contribution to nineteenth-century history — his encouragement of railways. Tooke's brother, who was the solicitor to the Dock Company, was also the London agent for the London and Birmingham Railway, and the architect and surveyor to the Dock Company was Philip Hardwick, the architect of Euston.

Students of past times, looking backwards, often find it unaccountable that their forefathers failed to realise the tremendous consequences and possibilities of some

event or discovery. The invention of steam, the development of motor-buses, the emergence of the Labour Party, the acquisition of India, the suffragette movement, are all events, taken at random, which closed an epoch and opened the limitless possibilities of a new order. To only a handful of courageous and enlightened mortals is given the power to appreciate what is happening as the old, familiar world changes before their eyes. Such a one was Charles James Fox, who, in famous words, said at the time of the fall of the Bastille, 'How much the greatest event it is which ever happened in the world ! and how much the best !' George Carr Glyn's espousal of railways — though there was naturally in it an element of self-interest — showed the same understanding (as had Fox in an earlier generation) of what was significant in the shifting panorama of early nineteenth-century England.

Glyn could so easily and naturally have followed the example of other eminent City bankers who listened with turgid indifference to the rumblings of the first locomotive. He could no less easily, with the Duke of Wellington and most of the landed classes holding up hands in horror at the invention, have thought it prudent to discountenance it. Apart altogether from uncertainty about a new and not popular invention there was a further objection to overcome, and that was that in these early days railways were provincial undertakings, not London ones. The great Quaker families of Liverpool, Manchester and the north-east were the pioneers of railway finance — the Peases, the Croppers, the Lesters, the Ellises, the Sturges, the Backhouses. Originally it was supposed that a railway

could only be made to pay if it possessed a considerable coal traffic — Stockton-Darlington, Leeds-Selby, Leicester-Swannington are examples in the 1820's. The opening of the Liverpool-Manchester line in 1830 corrected this idea, but its significance was only appreciated by a few imaginative traders in the two towns. It was from that corner of England that finance for the early railways was drawn. Tooke in his *History of Prices* has noted that seven-eighths of the capital for the London and Birmingham line came from Lancashire.

Professor Clapham put the matter more forcibly when he pointed out that the London bankers, though always eager for railway accounts, held back from raising capital for them or from taking part in directing them. In *Endymion*, which Disraeli wrote at the end of his life and which is especially valuable for its sketches of English social life as he had observed it in the 1830's and 1840's, he says of the invention of steam engines :

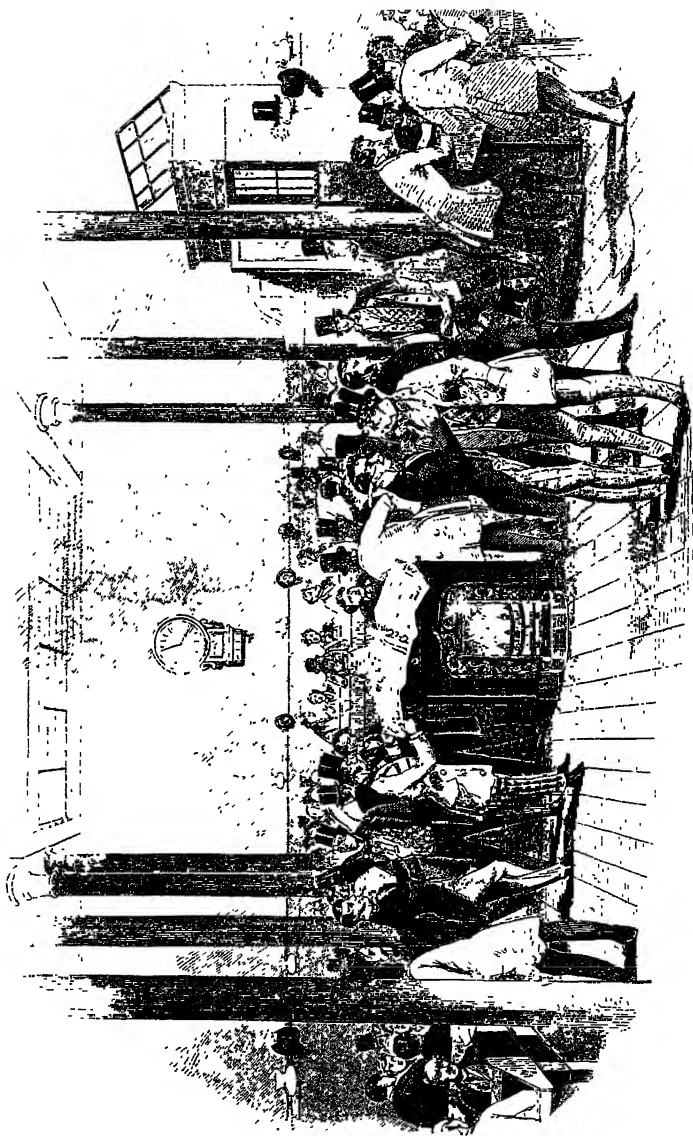
What is remarkable in this vast movement is that the great leaders of the financial world took no part in it. The mighty loan-mongers, on whose fiat the fate of kings and empires sometimes depended, seemed like men who, witnessing some eccentricity of nature, watch it with mixed feelings of curiosity and alarm. Even Lombard Street, which never was more wanted, was inactive, and it was only by the irresistible pressure of circumstances that a banking firm, which had an extensive country connection, was ultimately forced to take the leading part that was required. All seemed to come from the provinces, and from unknown people in the provinces.

The allusion is, of course, to Glyn's. The reasons which prompted Glyn to join this dim world of railway

finance were (as has already been suggested) his free-trade sympathies and his progressive outlook — both of which had been fortified by his experience with Tooke and others on the St. Katharine Dock Company.

One other more personal reason may be given. In 1823 he had married Marianne Grenfell — one of the remarkable daughters of Pascoe Grenfell of Taplow. Others of them married Charles Kingsley, J. A. Froude, and Lord Sydney Godolphin Osborne whose letters to *The Times* above the initials of S. G. O. disturbed the placidity of many a Victorian household. The brothers of these ladies, Mr. Charles Pascoe Grenfell and Mr. Pascoe St. Leger Grenfell, were both interested in railway matters; the former was a director of the St. Katharine Dock and the latter of the London and Birmingham Railway. The elder brother, Mr. Charles Grenfell, having married a daughter of Lord Sefton, was much in the Liverpool area during the pioneering days of the Liverpool and Manchester Railway. He was later Member for Preston. It would, therefore, seem reasonable that these brothers influenced Glyn with their practical experience of what was afoot.

The project for a railway between London and Birmingham had first been mooted in the middle 1820's. The success of the Liverpool-Manchester line gave it impetus, and a Bill for its construction eventually passed Parliament in 1833. In that year the Company issued a prospectus which showed a separate board of directors for London and for Birmingham, and that Messrs. Glyn, Hallifax, Mills and Company were the Company's London bankers. George Carr Glyn was a member of the London board.



The Bankers' Clearing House—1847

There is one point in the prospectus which deserves to be emphasised. The intention was that the London and Birmingham line should join up with the Liverpool and Manchester, that it should connect the two greatest seaports in the country — London and Liverpool — and that it should serve all the richest industrial parts of England, with 'feeder' lines from other industrial areas. 'This great National Line' were the words chosen to describe it, and although there is no evidence that Glyn himself actually chose these words, they reflect his point of view about railways — that they should be national rather than merely the products of capitalist competition.

The first chairman of the Company — a Baltic Merchant — resigned in 1837 and Glyn was chosen to succeed him. The line was opened in September 1838 with a private train carrying the chairman and directors with a distinguished company which included Queen Victoria's uncle, the Liberal Duke of Sussex, in his inevitable black skull-cap. There were crowds to watch the train at all the stations, and as it passed Rugby the headmaster of the school (Dr. Arnold) was heard to say, 'I rejoice to see it and thank God that feudality is dead'. Though no record of Glyn's feelings on the occasion has survived, it is unlikely that he felt any particular pleasure on account of the railways having triumphed over feudalism and landlordism. His feelings are more likely to have been gratification that everything passed off smoothly, elation that the dawn of the railway age was there — patent for all to see.

For fifteen years Glyn was chairman of the London and Birmingham, or London and North Western as it became in 1846. From the first he showed that he was

no mere banker's nominee — pushed in to serve the interests of Lombard Street. He was essentially a practical man, guiding the fortunes of the Company even in matters of detail. The following letter which he wrote to the London Secretary of the line well illustrates this. It was written from the Bank on April 21st, 1838, when the passengers had to travel the unfinished part beyond Bletchley by horse-drawn vehicles :

MY DEAR SIR,

I wish clearly to understand our present doings at Wolverton.¹ Am I wrong in thinking that work (Buildings) is now going on there under Gandell or some other of the Company's people, if so to what is this work confined, and how much has been expended ?

I think there is much practical good sense in Captain Moorsom's report,² but I do not like his nomenclature — pray find another word for sergeant.³

It may be a question whether the 10 o'clock train which is now to be made a through train, should not start rather earlier, say $\frac{1}{2}$ past 9. The advertisement should draw the attention of the travelling public to the 7 $\frac{1}{2}$ morning as the train for Lancashire passengers, and to the two subsequent ones as the trains for the convenience of Birmingham, its neighbourhood and intermediate places. . . .

Our shares have fallen £5 a share but we are doing very well and more than we could calculate upon. This is evidence of the absurdity of the market.

Glyn made himself personally responsible for the comfort of distinguished passengers — particularly Mar-

¹ The carriage and engine works of the Company were being built here.

² Captain Moorsom, R.N., a highly competent though bluff naval officer, was the Secretary of the Birmingham Board of Management.

³ This was presumably a suggested name of Moorsom's — perhaps for guards.

shal Soult — perhaps the greatest and most faithful of Napoleon's Marshals who had fought the British with great tenacity during the closing stages of the Peninsular War. He travelled from Euston on a tour of industrial England when he was in England as the special representative of France at the Queen's Coronation. That intrepid Dowager Queen Adelaide was the first royal lady to travel from Euston, and Glyn supervised all the arrangements for her as he did in the case of Queen Victoria and Prince Albert when they travelled by the Company to stay with Sir Robert Peel at Drayton Manor in Staffordshire. He constantly wrote to Sir Robert to offer him a special train.

He showed his Whiggish partialities by moving from the chair that the Company should build schools for the children of their employees at Wolverton. That was in 1839, the year in which the Government set up the first department to deal with education.

There was a great outcry against the railways being used on a Sunday. This was agitated in the House of Commons by Glyn's cousin — John Plumptre — who represented the ecclesiastical city of Canterbury. At a General Meeting of the London and Birmingham Railway in February 1838 it was resolved :

That the business of the Railway shall be suspended on Sundays, except for such restricted conveyance of Passengers as seems called for on the ground of public necessity, and that the Directors, to whom is hereby confided the duty of defining the extent and particulars of such restrictions, shall take as their guide in discharging that duty, the consideration of the public good, and not the private interest of the Company.

Four months later Glyn in a letter to the deputy chairman made a conventionally Victorian comment on the subject :

Though I entertain a strong opinion upon the Sabbath question, by which I hope always to regulate my own family and arrangements, yet I must not make myself a judge of the actions of others, and having accepted from the legislature a trust for the public, I consider our duty requires us to provide sufficient accommodation on Sundays for the demand of passengers.¹

George Glyn was the brains behind the Railway Clearing House. Although he may not have been the first to think of this, for some give the credit to George Stephenson and two other officials of the Company, he worked out the details, using the Bankers' Clearing House for a model. It opened at Euston in January 1842, and it was designed to facilitate through bookings for passengers and freights between the various companies. He was chairman of the Clearing House for the rest of his life.

Although Glyn was a zealous free-trader, it would be a mistake to depict him as a complete devotee of *laissez-faire*, a believer in unbridled capitalist competition. Like Gladstone he would have favoured some form of state control or ownership of railways, and he is reported to have said apropos Gladstone's proposals in 1844 for giving the state the power, on certain terms, to buy

¹ It is interesting to note that from and including the second dividend, passed in August 1839, the proportion arising from the profits of Sunday travelling was stated in the accounts. Whether this was done so that opponents of Sunday travel could decline that part of the dividend is not shown, but when a sum of £1000 was voted for the building of a church at Wolverton those with 'conscientious scruples' were repaid a sum per share equivalent to the proportion of their holding.

the railways, 'If a new start were being made I would be for a state system'. His idea of the North Western as a national line linking the North and Midlands with London, no less than his efforts at co-ordination in the Clearing House, suggest that his mind was moving in the direction of centralisation. The great railway bubbles of the late 1830's and 1840's no doubt impressed him with the advantages of national control. Although, as has been explained, Glyn was not averse from some measure of state control he was never in favour of the railways becoming a mere Government machine, as the following extract from a speech which he made to the shareholders of the London and North Western in 1848 shows :

It is impossible that we should condescend to work under Government superintendence. If he [a Proprietor] desires that the lines should be mere Government machines . . . let him give us 'Notice to quit'. I should not regret the day that would allow me to sit in my own counting-house in more quiet.

In this connexion the following letter, which he wrote to Sir James Graham, who had been Home Secretary under Peel, is of interest :

Private.

London.
1 Nov. 1848.

DEAR SIR JAMES,

I will reply to your queries about the scheme of railway amalgamation by premising that the information does not reach me from any government channel and that although some such proposition has been laid before government it has not been submitted to the leading railway bodies.

I believe you lay down as a principle that direct government interference and possession of railways are incompatible with the character and feeling of the country . . . and object to the plan as leading to these consequences. The outline is as follows :

Railway Stock to be converted into Government guaranteed security on the *application of the Railway Company* after a trial of the line for a given period, so many years purchase of the *average dividend* being the price in the government stock. The government to appoint a director to act in the Management of the line during the time of probation ; when converted into guaranteed stock the proprietors to name $\frac{2}{3}$ rd of the direction and the government $\frac{1}{3}$ rd. After satisfying from the nett earnings the guaranteed dividend the surplus profits to be divided between the government and the proprietors.

The result of such a plan would be to place every railway in the hands of government by the act of their proprietors as very much the best market for their stock under these terms. What is wanted is such a concentration and control as will prevent the useless and wasteful outlay of Capital and the supply of monies to new and old lines to enable them to complete the works upon which capital is already laid out and without finishing the works would be lost entirely.

With regard to the first point, the saving of further and useless outlay of Capital under a well advised system of concentration and control, I am not aware that a better plan could be laid down than to allow a Bill to pass to permit amalgamations between Companies (with this view) under certain conditions. Nothing short of amalgamation or a union of pecuniary interests will prevent the renewal in ensuing times of this folly of competition and consequent expenditure. The three companies, London & North

Western, Great Western and South Western, without having settled any specific terms for the fusion of Capital have determined on an application to parliament, founded upon this view.

The second point, temporary aid to Companies to allow the completion of works that cannot be now stopped without total loss, would be sufficiently met by occasional loans thro' the Exchequer Bill Loans Commissioners, rather than by the course proposed.

I venture to throw out these considerations though convinced you have more maturely weighed the question in all its various bearings.

I do not hesitate to say that the expenditure forced upon the London & North Western, utterly unprofitable and arising mainly from the caprice of parliament, is several millions, but much may still be saved.

Believe me,

My dear Sir,

Yours very faithfully,

GEO. CARR GLYN.

His progressive outlook on railways did not desert him, and at the end of his life he was writing of the advantage of having a whole-time executive to run the North Western instead of part-time directors — an ideal which was to some extent realised half a century later under Lord Stamp.

Glyn's services to the London and North Western were amply recognised in his lifetime : his full-length portrait, against the background of Hardwick's arch, hangs in the boardroom at Euston and was paid for by subscription among the Company. It is a graceful painting by Sir Francis Grant who was subsequently President of the Royal Academy. The decision that the

portrait should hang in the shareholders' room at Euston was accompanied with the following resolution:

... as an ostensible and permanent memorial of the gratitude, respect and esteem felt towards him by the Proprietors at large, for his comprehensive and energetic conduct in promoting, on all occasions, the well-being and prosperity of their affairs, combined with every considerate attention to the convenience and safety of the public, and particularly for his humane and devoted exertions in contributing to the domestic comforts of the servants of the Company at Wolverton, in establishing schools for the education of their children and administering generally to their moral and religious wants.

To this day, after all the changes of a century, the work accomplished by Glyn is held in remembrance and respect on 'the premier line'.

On his side, when the Government gave him a peerage at the close of his life, he wrote to Euston informing the directors that he had decided to take the title of Wolverton 'to mark my connexion with the good, old honest company in whose service so much of my life has passed'.

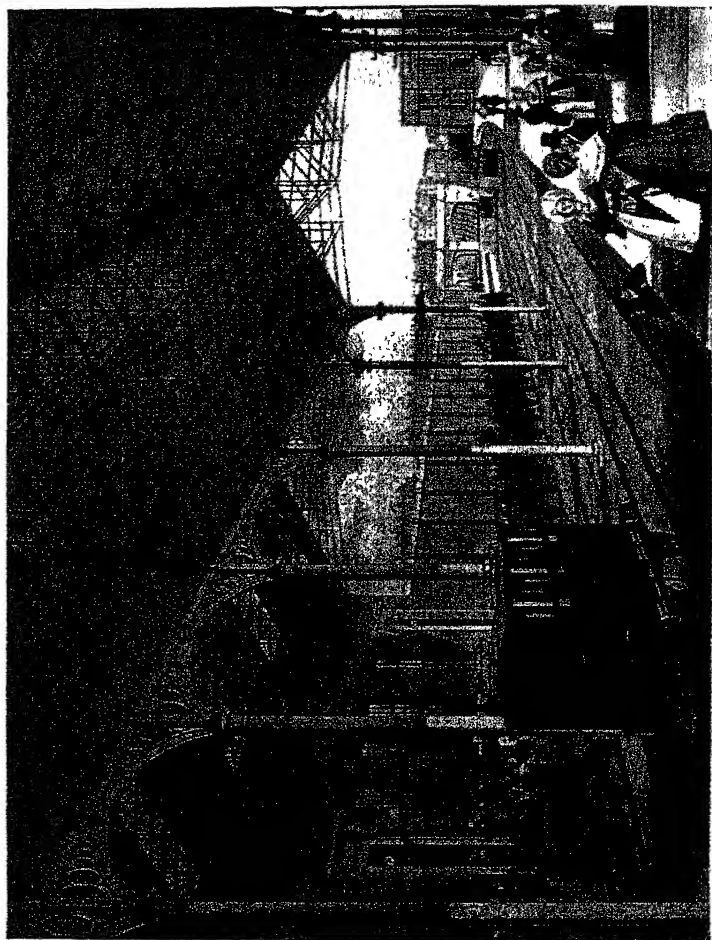
One of the curious gaps in the *Dictionary of National Biography* is that there is no room found for Lord Wolverton, although an article is devoted to his son — a politician and an illustrious patron of the turf. Yet it is likely that the historian of the future will single out the father as one of the outstanding Victorians while the son will remain in the forgotten but cheerful company of the tipsters and racing men who holla'd on his horses to victory.

George Glyn does not readily fit into the picture of

Lombard Street and the City of London during those early decades of Queen Victoria's reign. He was by no means the conventional Victorian banker. Lord George Bentinck, from the vantage-point of elegance and aristocracy, once wrote to a friend, 'Your fat banker's gossip is all stuff'. The reference is fortunately anonymous but it could, without injustice, be applied to that section of the Victorian banking world which was peopled with the sleek and prosperous — the well-liking and self-satisfied, eager for news and greedy for gossip. They were cushions in the path of progress and reform. With such people Glyn had nothing whatever in common. On the other hand, English banking had always drawn its strength from a somewhat unorthodox section of the community. Enlightened in business, they were a little twisted and odd in public and religious questions outside their banks. The Quaker and evangelical banking families are in point here — and George Grote, who combined very advanced political opinions with the conduct of a bank, is an extreme example. George Glyn's own brother (Sir Richard Plumptre Glyn) had something in common with this class, while the Mills section of the partnership had more in common with the prosperous and conventional type. One of Glyn's partners, in assessing his character, says that the philistine and puritanical elements which prevailed in the banking world in his day 'checked his flight', and he meant by that phrase that he was perhaps lacking in social graces and aesthetic perception. Subject to that qualification, which was caused by his environment, Glyn stands out conspicuously from his setting — head and shoulders above his contemporaries.

In an obituary in the *Economist* that journal stated that his fame rested on a combination of largeness of view with a rare practical wisdom. Moreover, men took for granted not only that he was honest, but that he was disinterested. John Bright put it well when he wrote to Glyn's son, 'I had a great regard for your father — there was a gentleness with his wisdom which to me was always striking and attractive'. Like his father he had the same capacity for expressing himself with point but without affectation. He was ever seen to the best advantage when presiding over a meeting of railway shareholders at Euston — and this was especially true of the difficult days during the 1840's. The meetings were generally crowded ; with quiet authority, charged with humour, he would lead them, Jew and Gentile alike, to see the reasons which underlay the policy of the Board. As Bright noticed, he had the great quality of asserting himself without wounding those from whom he differed. Captain Moorsom, one of the Birmingham directors of the railway to whom reference has already been made, was something of a blowhard who thought the footplate was identical with the quarter-deck. To him Glyn wrote, 'I do not quite agree with you in thinking the regulations of the Navy quite in point under the L and B Company'.

For Whig or Liberal Cabinet Ministers Glyn did much valuable work behind the scenes. Gladstone and Althorp at the Exchequer, Clarendon in Ireland and Dalhousie in India were all glad to avail themselves of his advice and guidance. From 1847 onwards he represented Kendal, but he was not cut out by nature for a House of Commons career. He spoke occasionally,



Euston Station — 1838

but he had that diffidence and anxiety over health which seems to have afflicted many of the best of the Victorians. When he was asked by Lord John Russell to second the Address after the Opening of Parliament he refused, adding 'my medical men have advised me for some time to avoid all excitement'.

In 1866, towards the end of his life, he wrote to one of his sons, 'I have been in public life some time but never had the slightest recognition by word or deed from my political friends and never expect to have'. That was not to be borne out by the future, as he was to be made a peer, on Mr. Gladstone's recommendation, in the following year.

If official recognition of his talents was slow in coming, they are not likely to be forgotten by anybody studying the history of his Bank. His exertions outside Lombard Street, rather than inside, raised the Bank to the highest pinnacle of fame and prosperity. He was not one (like many partners of private banks at that time) to sit in the Parlour waiting for business to come. He went out and shepherded it in.

The business which came to Glyn's through railways alone was colossal, and it was known for many years as The Railway Bank. Some idea of the size of their business in 1840 is shown by the following fact — in that year Barclays passed £107,000,000 through the Clearing House. That was the largest amount for any single bank, but Glyn's came next with £105,000,000. In 1849 the *Bankers' Magazine* published the following paragraph :

The Bank of Glyn has probably the largest business of any of the London Banks : we believe it has more public

companies bank with it than any other banking establishment in the City. It appears to act as London agent for about sixty Country banks — one half of which are joint-stock banks. The staff of clerks in town and country department is, we believe, second only to the Bank of England.

The passage ends with a sentence of rather jaunty English which was perhaps common in the City at that time —

A half a million sterling is said to be no uncommon sum for the Bank to settle at the Clearing House of an afternoon.

Yet in spite of the pre-eminence of Glyn's there were throughout the 1830's and 1840's portents of less prosperous times ahead. The establishment of the London and Westminster Joint-stock Bank in London in 1833 was of course a danger signal. It breached the arrangement by which the metropolis was sacred territory reserved to the Bank of England and the private banks. In an effort to swing the House of Commons against the Bill which authorised the London and Westminster to operate in London, Althorp said that Parliament, if it agreed to such a measure, would be guilty of a breach of national faith. Yet it was carried, and although the Bank of England and the private banks did what they could to make things difficult for the new venture, it prospered and multiplied.

The following memorandum of the early 1850's, which describes the negotiations when the Great Western Railway decided to open an account with a joint-stock bank as well as with Glyn's, deserves to be quoted in full. The chairman of the Great Western at

that time was Mr. Spencer Walpole — a luminary of the Conservative Party — whose politeness and tact should have carried him far.

Mr. Walpole mentioned to the Board that he was about to submit to them a report upon a very important subject, as to the Banking transactions of the Company ; but before doing so, he thought it incumbent on him to express in a few words his sense of the most liberal and disinterested conduct of Mr. E. W. Mills, and his partners in the Bank of Glyn, Mills and Company upon making known to them the objects and wishes of this Company, with respect to some extension of their banking connections in London.

Having thereupon represented to the Board the reasons which had influenced him and certain other Members of this Board to consider it extremely advantageous to secure, at all times, an open credit for a considerable sum, with one of the leading Joint Stock Banks in the City, Mr. Walpole related the conference which had been held with Mr. Mills in order to learn his own sentiments upon that subject, as one of the Directors, as well as to ascertain the feelings and wishes of his partners and himself with respect to the effect of opening such an additional banking account, upon the very long subsisting relations between this Company and their firm in Lombard Street.

It was stated, upon the authority of those who had been engaged in the business of the Company from its original formation in 1833, that Messrs. Glyn and Company had been the first and only Bankers in London to the Company ; and that on no occasion had they ever hesitated or declined to render any pecuniary accommodation or assistance, which had been required or solicited.

Mr. Walpole acquainted the Board that Mr. Mills had instantly acquiesced in opinion as to the advantages likely

to be derived by this Company (under the peculiar circumstances of their requiring, almost periodically, to renew large sums on loan upon the securities of the Company) from opening such additional account, subject to a proper understanding as to the conditions thereof — and that he had thereupon communicated with his partners, who most cheerfully agreed to relinquish a portion of the Company's usual banking business in the City, with a view to their attaining that object in the manner most beneficial to this Company.

It was resolved

'That the very best thanks of this Board be expressed to Messrs. Glyn, Mills and Co. for their prompt and disinterested compliance with the wishes of the Directors and for the gratifying manner in which they communicated, through Mr. E. W. Mills, their desire that the Company might derive every advantage from a connection with an additional London Bank.

'That the Chairman in communicating the foregoing resolution through Mr. Mills to the firm be specially requested to assure him individually that his colleagues retain a lively sense of his many invaluable services to the Company as a Member of the Board ; and that they regard his personal influence and exertions as most useful in the liberal treatment they have uniformly experienced from his firm as Bankers, which considerations justly entitle him to the unabated confidence, as well as the best thanks of the Directors.'

CHAPTER EIGHT

THE BUILDING OF CANADA

YET railways were by no means Glyn's sole contribution to the eminence of the Bank, for during his time in Lombard Street the overseas connexions of Glyn, Mills were started and expanded.

One small aspect of the fostering of foreign connexions may fittingly be considered first. Towards the end of the eighteenth century the idea of providing foreign travellers with 'circular notes' for 'any even sum from £20 upwards' payable at various places abroad was put into practice by Robert Herries, a partner in the banking house of Robert Herries and Co.' In 1828 Glyn's introduced a somewhat similar Circular Letter of Credit which took the form of a document signed by one of the partners and addressed to the Bank's correspondents abroad, not specifically but generally, empowering the bearer to draw up to the sum fixed in the Letter.

Thomas Hallifax, the yachtsman, and his family were inveterate foreign travellers and the Mills family were at this time much in Rome, so that it is likely that these partners, rather than the Glyns, were responsible for bringing forward this convenience for travellers. The customers of the Bank were still largely commercial and the Letters of Credit were undoubtedly a substantial convenience for those engaged in foreign business.

Every effort was made to avoid the possibility of fraud, but since there was no advice the foreign banker

had to use his own judgment as to the bona fides of those wanting to cash a Letter of Credit. Thus there was some risk involved; a risk which in fact materialised some few years after the Letters were originated, and gave rise to gross fraud on the Bank followed by a celebrated libel case.

The mainspring of the conspiracy to defraud Glyn's was a rascally Scottish landowner, Mr. William Cunninghame Cunninghame-Graham. This worthy had married a Mrs. Bogle, the widow of a member of a respected banking family. Cunninghame-Graham's stepson, Allen Bogle, was a partner in the banking firm of Bogle, Kerrick and MacCarthy in Florence. Among his varied and curious accomplishments Cunninghame-Graham had a machine for copying the masterpieces by which he was surrounded in the picture galleries at Florence. History unhappily does not relate what the copy of a Botticelli looked like when taken off the machine of this ingenious Scotsman. He was friendly with a Frenchman, who disguised a somewhat undistinguished past under the splendid name of Marquis de Bourbelle. These two seem to have persuaded Bogle to abstract one of Glyn's Letters of Credit for a short time in the course of business, and the signature was copied by the Scotsman's machine. This particular Letter of Credit happened to be signed by Thomas Hallifax (junior) — the grandson of Sir Thomas, — a point of some consequence for the conspirators. They then came to London and employed some line-engravers, working in a top-floor of a house in Regent Street, to copy the details of a Credit Letter obtained legitimately by one of the clique. Finally, a gang of adven-

turers and fancy women was collected to cash the Letters simultaneously in Italy, Austria and Belgium. All went well except in Belgium where the operator aroused suspicion by presenting the same Letter two days running in adjacent towns and asking for large sums. Furthermore, the Letters bore the signature of the young Halifax, and as his signatures were rare on these documents (he was never a very active member of the partnership) the Belgian bankers had the operator arrested and the whole plot was brought to light. The French authorities, with that partiality for reading private letters which distinguished French Governments at that time, intercepted some of the Marquis's letters. They were forthwith published in the continental press and were copied into *The Times*. Bogle, whose part in the business was not perhaps clear beyond all doubt, brought an action for libel against the printer of *The Times*. That paper decided to plead justification, and after great exertions and expense was successful, when the case was eventually tried, in narrowing the issue to a farthing's damages for Bogle.

In the City, Glyn's, Rothschild's, Baring's and Barclay's met to discuss raising a fund to reimburse *The Times*. That paper took the unexpected step of declining this reimbursement in a leading article: 'No, gentlemen; ever honoured by us will you be for these intentional testimonies to our merits. . . . But our funds must not be augmented by one farthing.' In the result a sum of £2700 was collected and used to endow two scholarships, one at Christ's Hospital and one at the City of London School, known as *The Times* scholarships, and tablets commemorating the circumstances of

the case hang in Printing House Square and at Lloyds. Not without justice those who worded the tablet referred to the case as 'the most remarkable and extensively fraudulent Conspiracy ever brought to light in the Mercantile World'.

This case of Bogle versus Lawson illustrated one aspect of the great commercial expansion of the City of London in the nineteenth century. With this surge of prosperity came a strange medley of foreign financiers, jobbers and stool-pigeons who looked to London as the centre of international finance — the lavish provider of loans, bonds and scrip, the natural target for frauds and tricks. The case lifted the curtain on a fascinating display from these gay, abandoned, swashbuckling marionettes.

Yet so far as London was concerned, this financing of foreign powers was of recent date. In earlier times it had been done (in as much as it was done at all) by the great chartered companies — particularly, of course, the East India Company. These companies, other than the East India and the select and prosperous Hudson's Bay Company (which was fresh from its triumph over its bitter rival the North West Company, and which was to provide in the person of its Committee Member, 'Bear' Ellice, himself a Norwester, the first instance of a business man who became a Cabinet Minister), lingered on, mere shadows of their once mighty selves, crumbling into inactivity with folios ruled and numbered but recording a minimum of transactions. The South Sea Company with George IV as Governor and Sir Richard Plumptre Glyn as one of its directors, the Eastland Company and the Russia Company with a powerful directorate largely drawn from the Bank of England

and with two chaplains at St. Petersburg and Archangel, were the best known of these companies. And when Charles Lamb acclaimed the most famous of these concerns because 'there is a charm in thy quiet, a cessation — a coolness from business — an indolence almost cloistral', he was perhaps wiser than would have been admitted by many more learned in the laws of economics than he was. For though, as he says, these slumberous antiques were insulted by 'the important faces' of the busy foreign loanmongers, the wisdom of a less frenzied activity in the financing of foreign lands can be appreciated today, and has been pointed out as the path of wisdom by some sagacious economic writers.

Be that as it may, the development of London as the leading centre for foreign finance virtually began with the end of the Napoleonic wars. By the 1820's Rothschild was clearly established as the principal contractor for European loans. Baring's, who had long specialised in the American sphere, were leaders in that market with one or two lesser houses — notably Wilson and Co. — to share the spoil.

Glyn's had no part in this. Their experience of foreign loans was seemingly confined to a paltry and casual dealing with Her Most Faithful Majesty Donna Maria — the Queen of Portugal. During the 1820's and 1830's that country was distracted by dynastic feuds — the Queen's uncle, Dom Miguel, striving to drive his niece from the throne. Dom Miguel had raised a foreign loan which included some bills of exchange accepted by Glyn's. Donna Maria drummed her uncle out of the country and seized his treasure. Glyn's brought an action against Her Most Faithful

Majesty to determine her right to cash their bills. The case went up to the House of Lords where it was decided on a technicality against the Bank. The case was remarkable for a dissenting judgment of Lord Wynford in which he said that a fouler fraud (if he might use such a word as applicable to such an exalted party as the Queen of Portugal and the Algarves) was never committed upon the merchants of Great Britain.

However, simultaneously with this case Glyn's began their first substantial venture in overseas or imperial finance. The opportunity chosen for this — or more precisely the opportunity which presented itself — was in Canada, and it has to be confessed that a more dubious prospect for the banker's business can scarcely ever have been paraded before the partners of a Lombard Street parlour.

At the close of the war with Napoleon Canada consisted of three Provinces, linked but maintaining independence. They were the Maritime Provinces (Newfoundland, Nova Scotia and New Brunswick), Lower Canada, whose inhabitants were frozen in the Roman Catholic traditions of the old Bourbon Monarchy of pre-revolutionary France, and Upper Canada which was largely populated with Loyalists to England who had fled there when the United States established their independence. To Upper Canada and to the Maritime Provinces came a steady stream of British settlers, mostly Scottish and Irish. The first Canadian bank, the Bank of Montreal, was established in 1817. That same year the merchants of Upper Canada petitioned for a regular banking system, and after a number of false starts the Bank of Upper Canada was

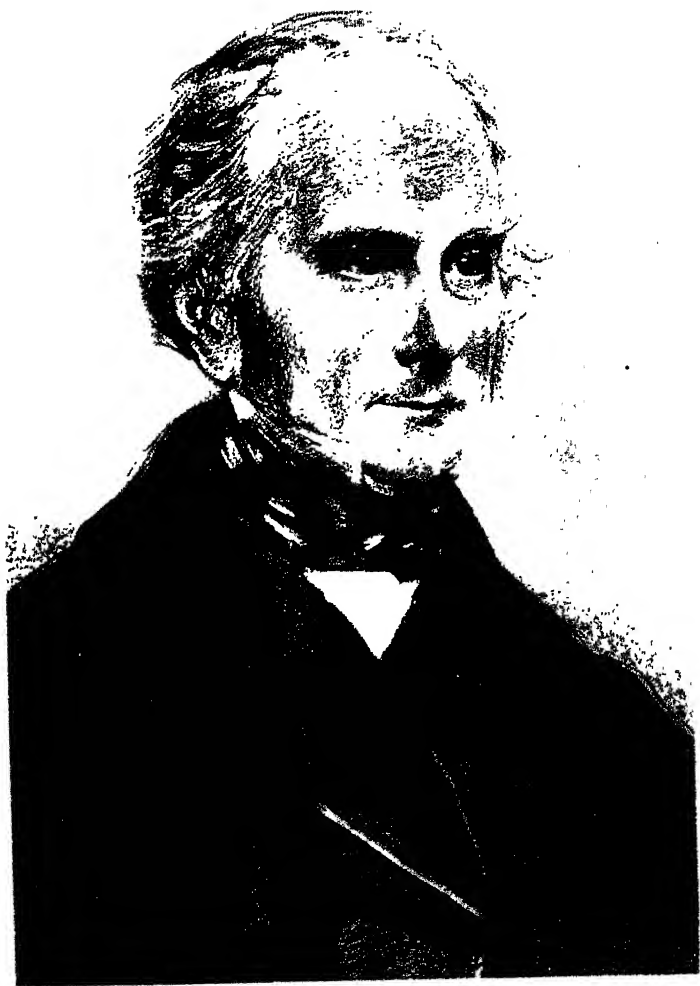
finally inaugurated in 1822. But in those years the economy of the Provinces was primitive and finance played only a slender part in it, banking being of less importance than barter. The most go-ahead of the Provinces was that of Upper Canada and this Government was able to raise a certain number of small loans in London. For example, in 1835 the Receiver-General for that Province, who roughly corresponded with our Chancellor of the Exchequer, came to London and wrote to about a dozen prominent bankers asking them to provide £400,000 — the interest on which was to be secured on the revenues of the Province largely derived from duties levied at the port of Quebec. Some of these bankers did not trouble to answer — two (Messrs. Wilson and Co. and Messrs. Baring) offered to provide the full amount. The Receiver-General divided his favours, and each was given £200,000. Baring's and Wilson were prominent in various financing operations in both North and South America ; in fact Alexander Baring, afterwards Lord Ashburton, lived for some years in the United States in order to develop there the financial connexions of his House.

Unhappily 1835 was the last of the tranquil years of the decade following the disaster of 1825. A shattering storm from the West from across the Atlantic was about to assail British financial stability. Up to 1836 a monopoly of American finance had lain with the United States Bank, or Biddle's Bank as it was called, in honour of the chief cashier and with that American partiality for perpetuating names which are memorable because they are slightly ridiculous, though in this case the family was also extremely well known and highly

respected. In 1836 President Jackson allowed the charter of Biddle's Bank to lapse; money in consequence became plentiful and there were booms in the value of land and all business undertakings. As an American writer has amiably expressed it, 'Our good fortune fired the imagination of even the dull Europeans'. Unfortunately it was rather a combustion than a fire, and in 1837 the prosperity was consumed in 'distress, intense and beyond example'. Wilson's collapsed and even Baring's, with their elaborate American connexions, were by no means at ease. At the same time there was prolonged disturbance, which later in 1837 broke into rebellion, in both Upper and Lower Canada. The prospects for Canadian finance never looked darker.

In April 1837 the Receiver-General reported to the Governor of Upper Canada, Sir Francis Head, a personality of great resourcefulness and indiscretion, who during the disturbances drove an American marauding vessel over Niagara, that there were rumours of the possible failure of Wilson's and Baring's. The former bank, in fact, was already in difficulties in February. For Canada the serious matter was to find the money for the payment of interest on the loan of 1835, and for parts of the capital sum which were outstanding. If the two Houses failed the debentures and the bills for outstanding capital would have been dishonoured. The Receiver-General sailed at once for England. On June 2nd, ten days before he landed, Wilson's closed their doors. Their failure meant that the interest and bills on their half of the original £200,000 were in jeopardy.

Serious at any time, this situation was aggravated by the disturbed political situation in Canada and by the



George Carr Glyn
First Lord Wolverton

natural fear of the British Government lest a dishonouring of Canadian bills in London might still further bedevil relations between the Colony and the Mother Country. Unhappily the capacity of the Cabinet Minister concerned (Lord Glenelg) at the Colonial Office did not match the crisis, and he left the conduct of his office to his head permanent official, Sir James Stephen, who was to contribute in his son and granddaughter illustrious names to English literature, but was himself a theorist and 'as shy as a wild duck'. Fortunately the Under-Secretary, Sir George Grey, a member of the great Whig hierarchy, was able to contribute much practical good sense in the conduct of the Colonial Office.

Since Wilson's had an account with Glyn's, the Bank had full knowledge of their affairs. In addition to having half the financial agency for Upper Canada, they were also London Agents for the Bank of Upper Canada to which reference has already been made. It seems clear that the Bank of Upper Canada, knowing that Wilson's was tottering, decided before the collapse of Wilson to transfer the London agency to Glyn.¹ The following letter from Glyn to Grey makes matters clear :

Lombard Street,
10 June 1837.

MY DEAR SIR GEORGE,

The recent crash has broken up the connection of the Canada Banks with their correspondents here and without

¹ It is possible (though there is no evidence to prove it) that, like so much else in the history of the Bank, this momentous connexion derived from the Mills family to whom the spirited Governor-General (Sir F. B. Head) was fairly closely related. He was, of course, in touch with the Bank of Upper Canada at the time and it seems reasonable to suppose that he put in a word for his own relations.

any step on our side that of Upper Canada has paid us the compliment of selecting us, Glyn and Co., for the Agency here. I should like to add to this the appointment which Wilson's house held of *financial* agents for the province which comprehends the payment of the dividends on the debentures for the loan raised here some time back.

I am not aware whether the appointment is individually or to the firm, but it matters not whether it was made to me or generally to my partners. There is no salary or emolument but it is a feather. Would you say a word in your letter today?

We look forward to a free day and to the pleasure of seeing you. I hope things will pass off more quietly than could have been expected. There is such an elasticity in this country in *spite* of such extended mischief, commercial matters must right themselves. . . .

On the following day Glyn and Grey met, and on June 12th Glyn wrote to Grey to say that his Bank was prepared to advance money as needed for the payment of the bills and debentures. On the following day Grey wrote to say that the Receiver-General had arrived in London and might he lay before him the proposals agreed between Glyn and the Government. Glyn agreed, and the Bank then wrote to Wilson's to say that they would pay the debenture dividends 'in consequence of an undertaking between us and Sir George Grey, Bart.' The Receiver-General's position was a curious one. He arrived to find that one half of the Canadian financial structure had been engulfed but that the other half (Baring's) was steady. He accordingly made a provisional arrangement with Baring's to take over the sole agency, *i.e.* their own half and Wilson's half.

On going to the Colonial Office to report this, he was told by Grey 'the Messrs. Glyn, Hallifax and Co. have agreed to pay the dishonoured drafts'. He accordingly went to Lombard Street and found the Bank prepared to meet the dishonoured drafts and the dividends due in July. He therefore continued the divided agency — substituting Glyn's for Wilson's.

At the end of June Sir James Stephen wrote to the Receiver-General and said :

Lord Glenelg is happy to find that by this means the holders of these Debentures will be secured from any inconvenience : but his Lordship directs me to observe that although the contemplated arrangement was communicated to Sir George Grey it was not made, as you appear to imagine, at the instigation of Her Majesty's Government, nor did Her Majesty's Government feel themselves called on in any way to interfere in the matter.

This somewhat pontifical statement was not in complete accord with the facts, and although no record has survived of the conversation between Glyn and Grey, it was Grey who told the Receiver-General that Glyn's were prepared to meet the debentures and outstanding bills. There must have been some reason why Grey preferred Glyn's as an alternative to the obvious arrangement by which Baring's would have become the sole agent. Indeed this seems to have been the intention of the Receiver-General on first reaching London. The most likely explanation is that the Baring partnership was not an acceptable combination to the then Whig Government, who not unnaturally preferred the Whiggish partialities of Glyn.

Not unreasonably Baring's felt mortified by these developments and eleven years later they wrote, after the union of the Provinces, to the Inspector-General of Canadian finances complaining that in 1837 the Canadian Government had declined to make their House sole financial agents for the Province.¹ The divided agency was, in these early days, a matter of slender consequence to either House, but as the story unfolds it becomes of far greater significance than was ever imagined. Over the next forty years the admiration which will be felt for Glyn's disinterested handling of their obligations to Canada will naturally be accorded in equal measure to Baring's. Indeed the facts can only enhance the reputation of both Houses, for so far as Glyn's is concerned the Canadian account proved the most troublesome of all their large accounts in the nineteenth century.

For the thirty years which followed the assumption of the Canadian Agency by Glyn's the political and economic history of Canada was always troubled and at times turbulent. The union of the Provinces and the grant of responsible government, which followed the Durham Report published in 1839, closed the worst of the disorders, but did not by any means usher in an epoch of tranquil prosperity.

Towards the end of the 1840's the policy of free imports, which had been introduced by Peel and took effect throughout the British Empire, was making itself felt in Canada. The Province was in fact a free-trade area, what later politicians with more knowledge of

¹ *Canada: Its Financial Position and Resources*, by the Hon. Francis Hincks. 1849.

slang than of economics would have called 'a dumping ground'. On the other hand, between this 'dumping ground' and the United States was a formidable tariff curtain through which no Canadian goods could penetrate, although United States goods could enter Canada freely. At the same time the Irish, flying from starvation in their own country and unsupported by either personal effects or by cash, were arriving in great numbers and had to be supported by the Canadian economy. Confronted by problems of this magnitude and tied to an amiable but remote and obstinate Government in Whitehall, the Province began to think that a solution of all difficulties lay in cutting the tie with the ancient monarchy and joining the thriving republic below the water barrier of the lakes, to the south. In fact it would be no exaggeration to say that the timely assistance of the City of London, through Glyn's and Baring's, was in large part responsible for deflecting Canada from joining the United States. On top of these problems were superimposed the ordinary afflictions of political man — that is to say the squabbles between the French Canadians and the other settlers, and the bitter wrangles between Liberals and Conservatives. Although the Province may have had great natural resources, it was gravely hampered by an absence of capital to develop them. To London and to Lombard Street it looked for cash to maintain its Government services and, in particular, to evolve its railway system. But the problem was, in the face of mounting misfortune across the Atlantic, to maintain confidence in Canada on the London stock markets so as to raise money at a price which was not exorbitant. All the

British capital for Canada during the three decades following the Durham Report was raised through Glyn's and Baring's. To successive Canadian Finance Ministers they stood in much the same relation as did the Bank of England to the British Chancellor of the Exchequer. They were the informal guides and advisers — not, of course, without a personal interest but governed by a sense of the importance of what they were doing and of the value of the experience of the Old World in building the New.

For their information on all Canadian financial matters Glyn's relied on two principal correspondents. The first was the cashier of the Bank of Upper Canada. He was Thomas Gibbs Ridout, who was one of the men who originally started the Bank in 1822. His position of cashier was equivalent to that of manager in England, and he held it for forty years. Perhaps he overstayed his time, for when he departed in 1861 the fortunes of the Bank were low and it rapidly tottered to its fall, handing on its privileges to the Bank of Montreal — less friendly to Lombard Street than the Bank of Upper Canada, and perhaps less conscious of the exertions which had been made to buttress Canadian credit. So friendly were the relations between Ridout and the Bank that he wrote to ask them if they could get an ensigncy for one of his sons. His letter, written in 1856, makes a commentary on the changes of a century between the standing of British citizens at home and overseas. After explaining that his son only wished to join the British Army on account of 'military ardour', he adds, 'I have no particular claims for making the above request, as we are only colonists'.

The other principal correspondent of the Bank was A. T. Galt, who was Finance Minister during the most difficult times and may be identified as the son of the accomplished author of *Annals of the Parish* by all familiar with that delightful book.

The first serious difficulty in raising funds developed towards the end of 1848. At the time the Canadians had written to Baring's complaining :

Our bonds are not recommended as an investment, while those of the U.S.A. are : indeed I have felt mortified to find that the price of Canadian bonds is never quoted in the list of stocks, although those of each of the United States, as well as all other foreign governments, are kept constantly before the public.¹

Writing a few months later, George Glyn said :

I fully concur with you in feeling surprise at the comparative indifference, manifested by investors in this country towards the Canadian Debt. Doubtless it is to be principally traced to the apprehension created by the recent events in that country and to the quotations from American papers bearing on the question of annexation. A little time and a more general knowledge of the contrary feeling in Canada will tend to remove this impression, but if you could, through the medium of the public press here, lead the public mind to a fair consideration of the financial position of the Province, and exhibit the actual figures and results of her increasing revenue and resources, it might then be possible to create a demand and enquiry for these debentures which would soon open the door for a negotiation of the whole amount.

¹ *Canada : Its Financial Position and Resources*, by the Hon. Francis Hincks. 1849.

With matters still rather delicately poised, the Canadians were anxious at the end of the following year to raise £400,000 by 6 per cent debentures for the building of the St. Lawrence-Atlantic Railway, the germ of the Canadian Pacific. In a joint letter Glyn's and Baring's wrote to explain that such debentures would be exceedingly difficult to sell: in fact they could only be marketed at such an abysmal price as would alarm existing holders of Canadian Bonds. The letter went on:

We are most desirous not only to prevent such an occurrence but to aid to the utmost of our power in the advancement of every work likely to promote the prosperity of the Province. . . . We see no other mode therefore than to purchase a portion ourselves and by that means to try to give confidence to others, as well as to meet your immediate wants, and though not anxious to buy a security for which we as yet see no chance of a re-sale, we consent . . . to buy debentures to the extent of £100,000 nominal capital.

A writer in the *Cambridge History of the British Empire* has well said of this transaction at this time, 'the Barings and Glyn Mills saved Canadian credit from a ruinous collapse by placing their own extensive credit at the service of Canada, and tactfully withholding Canadian securities from the market, until their value was gradually restored'.

In return for what they had done the bankers asked that the Canadian Government would set a limit to the amount of future Government liabilities for public works, which they suggested should be £1,000,000 or an annual interest of £60,000. The Canadian Government moved quickly, and in 1851 an Act of Parliament

was passed which stated that 'the Public Debt and Liabilities of this Province shall not be increased under this Act, nor will the Provincial Parliament hereafter authorise the increase thereof without the consent of the Agents through whom loans may have been negotiated in England, or the previous offer to pay off all debentures then outstanding'. At the same time Messrs. Baring and Glyn, Mills arranged for Canadian securities to be quoted in the official Stock Exchange lists.

The idea of a prodigious railway in Canada had for long proved attractive to British minds accustomed to the cramping experience of laying their railways within 'the tight little island'. As far back as the Potato Famine the Whig Government had considered the financing of some such scheme in order to draw off starving navvies from Ireland. The idea of the Grand Trunk finally took shape in 1852 and it was, of course, designed to attract English capital. There was something splendid, romantic and adventurous about a railway from sea to sea — something which seemed to carry out the words of the hymn —

From earth's wide bounds, from ocean's farthest coast.

And if (as the same hymn continues) there were not to be gates of pearl, there was certainly to be, according to the prospectus, 'a countless host' of passengers. For the practical minded there was the promise of a dividend of 11 per cent, and the whole project was commended to the British investor by a eulogy from the Governor-General, Lord Elgin. Had not the great Robert Stephenson himself said, after a visit to Canada in 1853, 'The Grand Trunk offers the certainty of a great traffic'?

The prospectus was issued in 1853 and Glyn's were the bankers, while George Carr Glyn and Thomas Baring were included among the English directors. There is a tradition in the Bank that their names were used without their consent, and it seems clear that they agreed to serve only as representatives of the Canadian Government. They were thus designated in the prospectus: 'Agents of the Province of Canada, and Directors of the Company on behalf of the Canadian Government'.

Within four years the Company so triumphantly launched was in danger of sinking. In November 1857 George Carr Glyn was writing to Galt:

I am sorry to perceive . . . that you do not think it possible for the Government to bring forward any measure of further relief in the Grand Trunk matter. If this is really the case I fear the concern must collapse for it is entirely out of the question attempting to move any of the Grand Trunk securities in this market. The state of the traffic returns is so discouraging that no one is disposed to touch the bonds at any price . . . we have in vain tried to sell for you, without restriction as to price, some of the new 7% debentures, but no one will look at them.

In a letter the following day he reverted to the possibility of state control on which he had looked with some favour in the difficult days of English railways, namely, that the Canadian Government should 'take the whole concern' — paying off the stockholders by debentures running at 4 per cent for twenty years.

In 1859, when the wonderful achievement of the Victoria Bridge over the St. Lawrence at Montreal was finished at a cost of £1,400,000, the finances of the

35 South Street, June 12/72
Park Lane,
W.

Messrs. Glyn & Co.

Gentlemen

Will you allow me in
closing my Account with you
to tender you my hearty
thanks for all the kindness
you have shown & trouble
you have taken - more
especially at the time of the
Crimean War 1854-6
When I am aware my
Account with you was a
very troublesome customer.

In withdrawing what
remains which cannot be

Letter from Florence Nightingale

More than two or three £s,
I should state that I paid
yesterday a Cheque for £10.10
to the order of Mrs. Mary Jones
of 16 Great Ormond St.

I beg to enclose my Note -
with renewed thanks &
apologies for the trouble I have
given you

Pray believe me
Gentlemen

Yours faithfully & obliged servt

Florence Nightingale

line were irretrievably compromised. In the following year the liability of Glyn's and Baring's on the Grand Trunk Account was more than £600,000. The Banks in fact raised the funds for the completion of the railway, and in 1862 Glyn's liability alone had risen to the formidable sum of £736,000. At the same time the Bank of Upper Canada was being dragged downwards by the Grand Trunk to which it had advanced large sums. In 1860 Glyn's wrote to the Bank of Upper Canada to tell them that they had a debit balance with Glyn's of £178,000 uncovered by any securities. The Bank threatened to dishonour any further drafts, and Glyn even thought of selling his private holding in the Canadian Bank to show the directors his opinion of their conduct, but on reflection he decided otherwise on the grounds that it would be wrong for him, with inside information, to shift the loss upon others less favourably placed. He wrote to the Canadian Finance Minister, 'I can afford to lose money but not reputation'.

Naturally enough some writers from the New World, looking at these matters with the keen eye of the economist rather than with the range of an historian, have directed some ponderous shafts at the British capitalists behind the Grand Trunk venture. No doubt mistakes were made, and in particular it was a mistake to send out Brassey and Peto to construct the line, for they were completely ignorant of the terrain. The directors could with advantage — and should — have enlisted the aid of railway engineers from the United States. English standards of construction and equipment were introduced regardless of cost. But Canada, still afflicted with internal discord, and uncertain of the

covetous intentions of her thriving neighbour to the south, was in no state to finance the Grand Trunk or even any modified version of it. The fairest word on this question is to be found in the *Cambridge History of the British Empire*, where the writer asserts that the support of Glyn's and Baring's to Canada during this period was of 'inestimable advantage'. And the *Economist* was not wide of the mark when it referred to what Glyn's and Baring's had done as 'an honour to the mercantile character of the country'. Nor should it be supposed that work of this kind was without its political hazards and anxieties. The following letter illustrates the point :

Montreal 22nd May 1863

GENTLEMEN,

You were, I believe, advised by the last mail of the recent ministerial crisis at Quebec, and of my appointment as Minister of Finance. In addressing you for the first time in that capacity, I may perhaps be permitted to assure you that I enter upon the duties of my Office with a very high appreciation of the important Services you have rendered to the Province while acting as its Financial Agents, and to express the hope that you will extend to me the same measure of confidence and support that my predecessors have uniformly received at your hands. My own aim will be to conduct my official correspondence with you in a spirit of unreserved frankness and cordiality.

I am engaged in the turmoil of a hotly contested election, and some little time will necessarily elapse before I can devote much personal attention to the duties of my department. The state of the Provincial Account with your firms was, however, brought under my notice yesterday for the first time, and is at this moment in connection with the provision to be made for the payment of the June dividends,

THE BUILDING OF CANADA

a subject of anxious concern. Parliament, as you know, was prorogued without having passed any measures for raising additional revenue, and without authorising further loans. I fear, therefore, we shall be obliged to rely upon your good offices to a greater extent than would have otherwise been necessary, or than it would have been reasonable to ask. I hope to be in a position to inform you by the next Cunard steamer, approximately at least, the amount we can remit in time to be available for the 30th June, and to offer some suggestions regarding your advances, and the disposal of the Securities in your hands.

I may add that it is the intention of the Government to convene Parliament as soon as practicable after the elections are over, and if they are sustained by the Country, as present indications lead them to hope they will be, they propose to urge the early adoption of measures calculated to produce so considerable an increase of revenue as will relieve our finances from all embarrassments.

I have the honour to be

Gentlemen

Your most obedient servant,

(Signed) L. H. HOLTON.

Messrs. Glyn, Mills & Co.,

&

Messrs. Baring Brothers & Co.,

Bankers,

London.

During the next three decades the Canadian connexion moved into calmer waters, and the Bank continued their part of the bargain with skill and understanding. The long relationship between the Canadian Government and Lombard Street ended on January 1st, 1893, when the Agency was transferred to

GLYN'S: 1753-1953

the Bank of Montreal. Reasonably enough, Canada, now emerging as an economic force, wished to keep these matters in her own country, on her own side of the world. But the work done by Glyn's and Baring's in financing Canada during these formative years contributes a shining passage in the history of the Banks and of the City of London.

CHAPTER NINE

CLERKS AND PARTNERS

HEAVILY committed as Glyn's were in the New World, they were not untouched by the boom in foreign loans and the inauguration of foreign banks which characterised the City in the 1850's and 1860's. So prevalent was this type of business in those days that a wit was said to have issued a prospectus for a bank to be known as The North and South Poles Bank.

Two of these ventures with which Glyn was connected created some stir at the time and are still flourishing today. The first was the Ottoman Bank with Sir Henry Layard, the archaeologist and Ambassador, as chairman. The Sultan of Turkey had formally sanctioned the Ottoman Bank in 1856 and it was defined as carrying on, under the management of a Court of Directors in London, 'the business of banking in Constantinople with Branch Banks in any other parts of the Turkish Dominions except Egypt'.

The first and obvious step after the Sultan had approved the bank was for the directors to mark his wisdom by a benefaction. He was, therefore, immediately granted a loan of 20,000,000 piastres (£150,000). Moralists who may be tempted to raise white hands in horror at this transaction may be comforted with the reflection that the Sultan only had to pay something in

the region of 5 per cent interest on the loan, whereas he was unable to borrow from his own nationals at less than 22 per cent.¹

The second was the London and Brazilian Bank with Pascoe Glyn as one of its sponsors. Early troubles were followed by reconstruction and its eventual emergence as the Bank of London and South America. (The head of the present Board is now the Chairman of Glyn's.) Also in the early 1860's, Glyn's was responsible for the founding of the Anglo-Austrian Bank. The finances of the ramshackle Empire of the Habsburgs were in an enfeebled state, and the Austrian Government had made an informal approach to Glyn's for advice and a loan. Austria was at that time in the van of European reaction, encouraging Prussia in her attack on Denmark and keeping down Italian aspirations towards unity. The handling of this matter in Glyn's was entrusted to George Glyn's son, George Grenfell Glyn, who, writing to Baring to enlist his support, said, 'Pray observe that I by no means surrender my political opinions . . . but I allow my commercial interests to take precedence in the present case'. On January 4th, 1864, the Anglo-Austrian Bank opened its doors for business. The Bank thrived, and in spite of the war between Austria and Prussia was soon paying double the dividend of the *Credit Anstalt*.²

No doubt through this connexion with the Habsburg Monarchy Glyn's were responsible for floating a Mexican Loan in the same year when the Archduke Maximilian became the ill-starred Emperor of Mexico.

¹ *Bankers' Magazine*, 1856.

² After the Great War the Austrian business went to the *Credit Anstalt*, and the English side developed in the 1920's as the Anglo-International Bank, the banking business of which was taken over by Glyn's in 1944.

The loan was not unnaturally received with misgivings in London : in fact only half a million was subscribed. It was quickly lost.

Although George Grenfell Glyn lightly laughed off his political feelings, the Mexican Loan at least has an unpleasant smack in the twentieth century. Cobden had said of earlier loans to Austria and Russia, with decided justice since their use was for war and oppression, that such transactions were 'a waste of national wealth, an anticipation of income, a destruction of capital, the imposition of a heavy and profitless burden on future generations'. He wryly added that the initiators of such loans had not even the reward of the pagans of old who could witness the bloody combats of the gladiators which they had financed.

But in the flotation of foreign loans — good or bad — the Bank did not challenge the supremacy of the established names — the Rothschilds and Goldschmids and Barings — and the more recent comers, such as Huth, Raphael, Schroeder and D'Erlanger. But without this sideline of foreign loans the business of the Bank steadily expanded.

Undoubtedly the most important factor was the growth of the railways, a surprising volume of business coming to Glyn's as will be seen from Appendix IV. But normal business also increased, one could almost say in spite of the attitude of the partners, for they were very selective in the matter of new connexions. In 1855 they wrote to a prospective customer, 'We have the pleasure of enclosing the Books left with us this morning as we are perfectly satisfied with the explanations you have given us as to the nature of your business

operations', and placing their services as bankers at their disposal. On another occasion the partners declined an account 'as none of the Directors are personally known to them'. This attitude persisted despite the growing competition of the joint-stock banks, and even in 1864 we find George Grenfell Glyn writing, 'It is apparently the fashion of the day boldly to ask for accounts, but I confess that is a course which I cannot bring myself to adopt unless in the case of personal friendship'.

Increasing business throughout the country was also reflected in the numerous agency accounts held by Glyn's, and these accounts, together with the crisis of 1857, were responsible for a less stringent attitude towards new customers. This crisis originated in the United States, where no fewer than 1415 banks stopped payment in the October, and spread quickly to this country, affecting Liverpool and Glasgow in particular. The Western Bank of Scotland failed and the position of the Union Bank of Scotland was threatened. Glyn's arranged to discount bills for them with the Bank of England, and when they declined to take any more, provided the money themselves. On one day alone they sent £150,000 in sovereigns to Glasgow, and a further £50,000 to Edinburgh, with the pious hope that it would be enough 'for we do not think the London market can supply more under existing circumstances'.

In due course the crisis was surmounted, but it had had a considerable effect upon the bill brokers, who were denied the facilities previously granted them by the Bank of England. Several stopped payment and others suffered so badly that Glyn's had to find other methods

of employing their customers' surplus funds. Up to this time such surplus had been placed with the brokers as the Bank of England and the majority of private bankers, unlike the joint-stock banks, allowed no interest on deposits. Glyn's now decided to accept such deposit accounts, though not apparently making it a general practice, for in 1862 one of the large Nottingham banks wrote, 'You are quite right in supposing that we have a Deposit account with the London Joint Stock Bank. We have had it the last 3 or 4 years . . . not being aware you would take our surplus on Deposit allowing interest, or we should have availed ourselves of this some time ago.' While the use of this facility increased, its existence was not generally realised until the publication of the first balance-sheet in 1885.

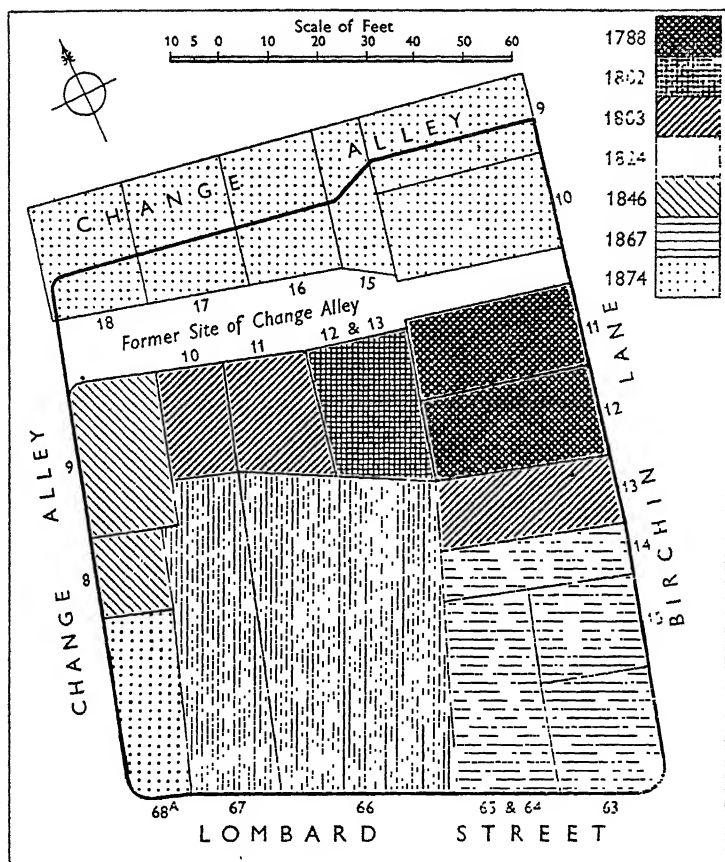
During this period Glyn's also played an important part in the development of Investment Trusts, designed 'to give the investor of moderate means the same advantages as the large Capitalists'. The first important one in this country was The Foreign and Colonial Government Trust, formed in 1868 with Glyn's as the bankers and a Currie as one of the founders.

One of the problems of the middle years of the nineteenth century was to provide an organisation which could handle this increasing business. A significant development was the acquisition by the Bank of the entire island site bounded by Lombard Street, Birchin Lane and Change Alley. The total area covered by the bank in the heyday of Sir Richard Carr Glyn, 1808, was some 3000 square feet, and by the end of the century this had grown to 13,000 square feet. The plan at page 165 will illustrate the expansion.

In 1821, when George Glyn was on the threshold of his career, the Bank acquired Nos. 66 and 67 Lombard Street with a frontage of 55 feet in that thoroughfare. They proceeded immediately to rebuild the property as one and moved in in 1824. The cost of the new building, together with furniture and fittings, was £17,692 : 6 : 9 $\frac{1}{4}$ — a wonderfully exact figure. In earlier times there had been two inns here known respectively as 'The Salutation' and 'The King's Arms'. The site of the 'Salutation' bar is now covered by the circular stone table in the main banking hall known familiarly in the Bank as 'The Font'. For a short time in the 1860's Glyn's included Garraway's Coffee House, where in the seventeenth century tea was sold at 50s. a lb. This famous house with its 'sandwich and drinking room for sherry, pale ale and punch' was later handed over, no doubt with appropriate quips, to Martin's Bank, Glyn's taking in exchange from them a somewhat less festive building.

1875 marked the end of Glyn's purchase of the present site, though some of it was still leasehold. The freehold of Nos. 66 and 67 Lombard Street was bought from the Goldsmiths Company in 1888. The Bank paid £81,378 for this — the largest price which had been paid per foot up to that time for any property in the City. The last freehold, that of the property fronting Birchin Lane, was purchased in 1905. Change Alley was moved in 1893 so that the Bank could be consolidated on an island site.

Yet if anyone from mid-twentieth-century England could transport himself to Glyn's during the heyday of the nineteenth century he would have been struck by the



PLAN OF SITE OF NO. 67 LOMBARD STREET

Showing the dates of the acquisition of the various properties within the island site, bounded by Lombard Street to the south, Birchin Lane to the east and Change Alley to the north and west

Note.—Nos. 11, 12 and 13 Birchin Lane were relinquished in 1824. Nos. 11 and 12 were repurchased in 1857 and No. 13 in 1867

decidedly haphazard appearance of the premises : the various acquisitions of property seemed to have been strung together rather than blended into a uniform business centre.

The entrance in Lombard Street led straight into the main banking hall. This, however, is a rather imposing name for what was really a congested collection of partitioned offices. On the right of the entrance, beyond the Receiving Cashiers, were the swing doors which led through the Discount Office to the partners' sanctum, or 'Parlour' as it was — and still is — called. Facing the entrance was the main Country Office with the diminutive Stock Office on the left and the Paying Cashiers on the right. Behind the Cashiers were the Town Ledger Office and other subsidiary offices.

To the left of the entrance an iron staircase led to the first floor containing the Railway Office and the Transfer Office or, as it was known for some years, the Canada Office.¹ Upper floors housed a number of other departments, but the whole effect was of a patched-up building with corridors and steps up and down linking sections of the building acquired at different times and knocked into one without much rebuilding.

The lighting of the ground floor was very poor despite a large section of glass roof and reflecting mirrors outside the windows, and for much of the time the green-shaded gas-lamps on the desks cast a ghostly glow on the faces of clerk and customer alike.

There was about those old premises an air of shabbiness, almost of dinginess. The era when banks were

¹ 1884 — April 15th : 'Canada Office' opened on first floor.

1887 — June 29th : Railway Office removed to first floor.

massive stone piles had not quite dawned, and mankind had not yet allowed itself to believe that the safest banks were invariably the ugliest and most portentous. Such idiosyncrasies were left to the early decades of the twentieth century and to the competitive frenzy of powerful banking combines. Even as the twentieth century dawned there was still round Lombard Street the peace and hush of quieter times. No omnibuses clattered by, and across the street careered an infinity of mechanical toys. (It was the stronghold of the street-vendor, to the delight of the junior clerks and, so it is said, of the first Lord Hillingdon.)

With the growth of business came a great expansion in the numbers of the staff and a great change in its character. Broadly speaking, the clerks doubled their numbers every thirty years. In 1815 slightly more than 30 were employed : in 1843 the number had risen to 70 : in 1873 it was 133 : and by the outbreak of the first war there were 290 at work. The salaries in 1815 amounted to £3662 : 9 : 4 ; in 1843 this had grown to £8306 : 5s. The Christmas Fund was £1085 : 14 : 6 in 1815 and £3128 : 1s. in 1843. In the 1870's this fund reached the peak figure of £4418 ; thereafter it slowly declined, dropping to £2478 in 1913. The information about salaries is unfortunately incomplete, but the broad conclusion to be drawn is that there was, during the nineteenth century, no spectacular increase in salaries. The larger figures seem merely to have marched in step with the enhanced cost of living. It is notable that the donation of the Christmas money seems to have increased at a rather brisker pace than did the basic salaries. In respect of this fund the clerks were certainly

in a more favourable position in the middle of the century than had been their predecessors at the beginning.

But the change in the nineteenth century, so far as the staff is concerned, is not so much in salary as in their relations to the partners, and generally in the House. Mr. Ovington, in Stanley Weyman's novel of which mention has already been made, once said in reference to his clerks, 'We are all in the same boat though we may not all steer'. As the nineteenth century developed the clerks became less concerned with the progress of the boat than with the amenities of their own position inside it. The change from the old conception of the clerk as the personal servant of the partner — proud of the good name of the House and sensitive to every whisper which might affect it — to the new conception of the clerks as one of a large staff — certainly still proud of the House but much concerned with their own conditions and rights — was an inevitable development. At the same time they would seem to have become gayer, more carefree than the restrained, solicitous worthies portrayed for us by Lamb, or caricatured in some of Dickens's novels.

The hours of work were certainly long. Throughout the City in the nineteenth century a banker or a merchant of eminence worked with his clerks from 9 or 9.30 in the morning. They left between 6 and 7. Towards the end of the century those hours were modified for the heads of a business. In Glyn's in the 1890's the clerks were at work in the bank at 9 and the juniors seldom left before 7, sometimes working to 8. This was in the Town Office, though hours were somewhat shorter in the Country Office. For much of the

century that was the unflagging routine from Monday to Saturday inclusive. In addition the junior clerks were expected to come in on a rota on Sundays — a last survival of the old days when clerks had lived over 'the Shop'. From the 1830's onwards the clerks were allowed a fortnight's holiday, at first irrespective of service, but this was later increased to three weeks after twenty-five years' service, and one month for heads of departments. On joining, a young man would find that the chances of a summer's holiday were slender. He would perhaps express a civil plea for August, to be met with the news that the only dates available for him were mid-November or mid-February. A certain amount of trafficking in holidays went on — a summer fortnight could generally be bought for a five-pound note.

But these rougher corners in the life of a clerk were smoothed down as the Victorian Age progressed. The first attack was made on the full hours on Saturday. In 1857 the clerks in Glyn's subscribed to the half-holiday movement, and three years later the Bank closed for business at 3 P.M. on Saturdays. From that point progress was slow, and it was not till 1886 that closing on Saturday was put back to 2, and on April 16th, 1902 (the year of the Coronation of King Edward VII), it became 1 o'clock.

In 1883 the attendance of junior clerks on Sunday was stopped. In 1887 — the year of the Queen's first jubilee — for these concessions generally accompanied occasions of national rejoicing — a fairer rota of summer holidays was arranged. Ten years later — for the Queen's second jubilee — a 10 per cent bonus for all the staff was granted. A bonus was expected: its extent

was the only uncertainty, and a senior clerk telegraphed with lucid brevity to a colleague holiday-making on the Sussex Coast 'Ten Per Cent'. In 1865 Glyn's Provident Fund was started, and in 1875 a superannuation scheme was evolved. All these concessions, after a little pushing from the eager beneficiaries, were certainly generous and characteristic of the policy which marked the more enlightened of the banks.

But it would be idle to deny that the clerks, like those people referred to in the Book of Revelation, had come out of great tribulation. Their numbers expanded rapidly, but the buildings did not offer them a corresponding expansion of space and air. Too often they were left to cast up their ledgers in an absence of light which must have enriched many a Victorian oculist. Clerks were liable to make good the mistakes they made out of their own pockets, and it was noticed that far more mistakes were made in winter than in summer.

In 1845 a bank clerk wrote to the *Bankers' Magazine*: 'No person, I am sure, can go into a Banking House without discovering what a foul atmosphere the clerks are compelled to breathe, in consequence of so many persons being congregated together in a small ill-ventilated space'.

Viewing these matters from the amiable humanitarianism of the twentieth century, the reader may be tempted to pass severe judgment on those nineteenth-century Glyns and Millses. Could it, for instance, be said of them as was said of one of their wealthy contemporaries in the lines which follow?

'In making his thousands he never forgot
The thousands who helped him to make them.'

But to judge them fairly it is necessary to set them against the climate of thought on these matters which prevailed in their own time. The great John Stuart Mill himself said that a clerk was overpaid if he got more than the wages of a bricklayer. He argued this because a clerk had a safe job for life and his work was not one-tenth so hard as that of a bricklayer. And it also has to be remembered that the really bad conditions in Victorian banking were in the joint-stock concerns, not in the private banks. This was especially true of the earlier days, of the 1830's onwards when the joint-stock banks swiftly rose and swiftly fell, leaving a squad of dejected clerks with no provision made for their protection. The joint-stock inevitably attracted a less respectable type of clerk. In the 1850's an observer of City life, in a book called *City Men and City Manners*, contrasted the private bank clerk 'steady and staid', his conversation limited to business and weather, with the joint-stock specimens full of chat about operas and adorned 'with chequered neckerchiefs, showy chains and mogul pins'. The salary of the joint-stock clerk was about £80 a year in the 1850's. The starting salary of a clerk in Glyn's, age 18-20, was as follows :

- 1848 — £80 p.a. payable quarterly.
- 1876 — £75 p.a. payable half-quarterly.
- 1883 — £75 p.a. payable monthly.

In addition he had the increment of the Christmas Fund, and in a good year there was the afflicting but welcome bonus of mourning money for the death of a partner.¹

¹ £7-£10 was paid to each clerk on the death of a partner to provide himself with mourning clothes. The practice ceased after the death of Mr. Pascoe Glyn in 1904.

While it is true, as the advocates of the joint-stock banks pointed out, the private bank clerk was dependent on charity like the postman or the regular dustman, he was in fact in slightly more affluent circumstances than his counterpart in the rival concern. As to efficiency it is interesting to note that in the 1880's some dozen clerks left Glyn's to become managers or chief clerks in other banks, mostly in the country, while it was not unknown for a country banker in difficulties to ask and obtain the assistance of a clerk from Glyn's to reorganise their business. Very occasionally one of the clerks left a considerable sum of money, but it is likely that this was explained by private means, rather than savings out of their salaries. In 1884 a Mr. Phippard, a pensioner and formerly a clerk in Glyn's, died worth £4000. In the same year the cashier of the Country Office died and left £5700. Mr. J. J. Kentish, a well-known Croydon eccentric, who hated children and had been a cashier at the Bank from 1823 to 1867, left a fortune which he had made out of railways. Mr. Charles Hitchcock, a clerk in the Bank from 1839 to 1894, left almost £20,000.

Certainly the clerks in Glyn's seem to have been gay and high-spirited, and although they had their legitimate grumbles they do not give the impression of having been oppressed or down-trodden. If they wanted an afternoon at Lord's, for example, they could usually manage it by paying someone else to do their work for them — at a recognised scale of charges — though they would have to come back in the evening to check it as it remained their responsibility.

A few of the clerks were employed in collecting cheques and bills not payable through the clearing.

They would go round on their 'Walk', leave the items in the morning and return to collect the proceeds in the afternoon. The more lively would bustle through it and then spend an hour at the National Gallery or the British Museum. In the summer this frolic might be extended to a row on the Serpentine, and on one occasion a clerk, having fallen overboard, arrived dripping at the Bank. The whole of the staff enjoyed the joke when the partners decided to give the clerks, whose duty it was to take the money for wages to the large clients like the Gas Light and Coke Company, a carriage and pair. The spectacle of Mr. Constantine and Mr. Reid stepping with becoming modesty into this fine equipage as it stood blocking Lombard Street was long remembered and loudly applauded.

There are a few surviving examples of office witticisms. When a parishioner of St. Mary Woolnoth, the parish of the Bank, died, the church bell tolled in the usual fashion, followed by the age of the deceased — a ring for each year. On the first toll a country cheque office clerk would rise from his seat saying, 'Another boulder perched', and would collect pennies from everyone — the pool going to whoever guessed nearest to the deceased's age. When an account was closed for death, bankruptcy or any other reason, instructions to this effect were sent round to the clerks. These information slips were often embellished with witticisms and tags of learning, which indicate a level of education among the clerks which may surprise the twentieth-century reader. The clerks must have taken good care that these comments did not fall under the gaze of the sorrowing relatives of those customers who were dead.

When in 1893 Sir George Elliot, who was an affluent coal-owner from Durham with enlightened views on the public ownership of pits, died — a scholarly clerk added to the slip announcing his death '*Quia multum amavit*'. A less refined mentality has added a sketch of human feet with the words, 'Now his toes turn up the daisies'. When the firm of C. Meerwein got into difficulties in the 1880's this was announced by a sketch of a Hebrew gentleman about to embark for the U.S.A., with the fatal words 'Pay no More'. When Mr. Salmon died there was inevitably a sketch of Beelzebub on a fishing expedition, drawing a 20-pounder from the water with the caption 'Hooked at last'. When the Reverend Edward Allen died at the age of 100 the news was announced in bilingual fashion, 'Whom the Gods love die young. *Nolo Episcopari.*' And when Mrs. Bird died the sad tidings were spread with the sketch of a man firing at a bird which, gracefully dying, squawks out '*Quantum Sufficit*'.

But the obstinate problem which faced all the private banks in these days was how to keep the hereditary partnership refreshed with new blood and capable of managing a large business concern.

The sad — the noticeable — thing about the partnership in the crucial middle years of the nineteenth century was that the families seemed slightly spent, perhaps even somewhat conventional and unenterprising, lacking the gusto of their predecessors. George Carr Glyn towered above them and Charles Mills was certainly conspicuous, but each man had been born in the eighteenth century, and as the 1860's moved on towards the 1870's the question arose of their successors. Mr. Glyn in fact

died in 1873 and Sir Charles Mills in the previous year.

The Hallifax line had petered out in 1850 with the death of Thomas II. His eldest son, Thomas III, a wealthy and travelled bachelor who lived in Berkeley Square, had died in 1849, and his younger son was tucked away in a snug Suffolk rectory. Thenceforward the name of Hallifax, which had been in the title of the Bank for almost a century, disappears.

On the death of Hallifax in 1850 Sir Richard Plumptre Glyn became the senior partner. In the archives of the Bank little trace of him survives save the masterly pen-and-ink sketch which is half likeness and half caricature, and was perhaps done by no friendly hand. This is reproduced on page 176. For Sir Richard Plumptre Glyn it is only possible to have those feelings of sympathy which mankind would extend to a gentle don thrust into the harsh climate of Lombard Street. He seems the epitome of Belloc's line —

Don self-absorbed and solitary.

He would have made an admirable clergyman.

He was a decade older than his brother George, having been born in 1787. He was educated at Westminster and at Brasenose. He became one of the Gentlemen of the Privy Chamber to King George III, a post which involved even then honour without duties, except that George IV made them appear at his Coronation in splendid Elizabethan costume. Sir Richard must have looked somewhat remarkable.

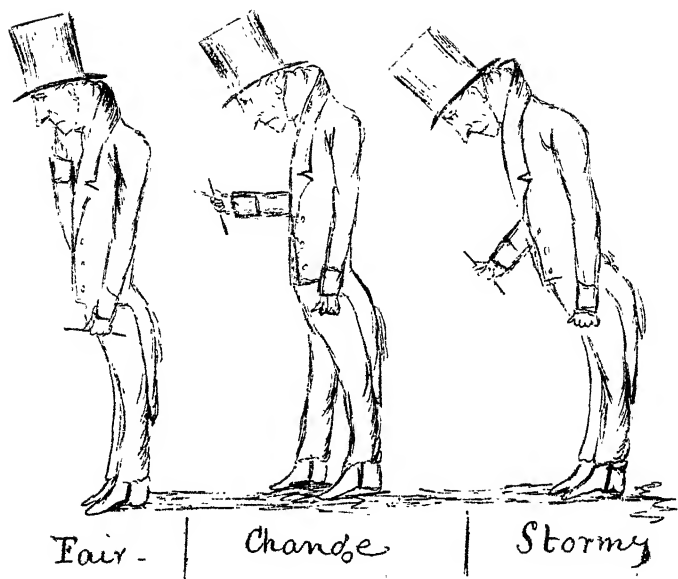
Outside the Bank he seems to have had few business interests except that he was perhaps characteristically a director of the almost defunct South Sea Company.

He was a member of the Athenaeum, the United University and Carlton Clubs. Although his bank was thriving through railway business, he never used the train, preferring the discomforts of a carriage journey to Gaunts, where he spent much of his time. Although extremely wealthy, he somewhat offended one of his Dorset neighbours by offering him a cold luncheon because he could not afford anything more splendid.

He was obviously a devoted member of the Church of England, and a list of his private subscriptions to charity deserves to be set out in full as some indication of the trouble which a Victorian business man devoted to these matters. Although it may be argued that Sir Richard could well afford these gifts, they perhaps indicate that if rich men had in general followed his example the dawn of the Age of State Charity, which marked the twentieth century, might have been postponed.

As a sample year, 1861 shows the following subscriptions :

Society of Friends of Foreigners in Distress	£2	2	-
Society for Suppression of Mendicity	2	2	-
St. George's Hospital	5	5	-
Paralytics' Hospital	10	-	-
Strangers' Friend Society	10	-	-
Irish Church Missions	25	-	-
Scripture Readers' Association	25	-	-
Houseless Poor Asylum	10	-	-
Marine Society	2	2	-
St. Ethelburga Society Schools	2	2	-
Refuge for Destitute	2	2	-
Royal Benevolent Loan Society	5	5	-



*Sir Richard Plumptre Glyn, Bt.
An Office Sketch*

CLERKS AND PARTNERS

Spitalfields Society (2 years)	£40	-	-
London Orphan Asylum	2	2	-
London Dispensary	1	1	-
City of London National Schools	2	2	-
City of London Church Extension	300	-	-
Deaf and Dumb Asylum	5	5	-
Royal National Lifeboat Institution	2	2	-
Horticultural Society	2	2	-
Mariners' Friend Society	2	2	-
Vincent Square School	5	-	-
Indigent Blind Visiting Society	2	2	-
Royal Humane Society	2	2	-
Adult Orphan Institution	2	2	-
National Education	10	-	-
Sons of the Clergy	5	-	-
Philological Society	2	2	-
Society for Propagation of the Gospel	300	-	-
Shipwrecked Mariners' Society	10	-	-
Royal London Ophthalmic Hospital	5	-	-
Royal Sea Bathing Infirmary	2	2	-
R.D.C. Building Society	5	-	-
Royal Westminster Ophthalmic Hospital	2	2	-
Clergy Orphan Asylum	2	2	-
Philanthropic Society	2	2	-
Charing Cross Hospital	30	-	-
Seamen's Hospital Society	2	2	-
London Diocesan Board of Education	5	-	-
Protestant Association	10	-	-
King's College Hospital	2	2	-
Cancer Hospital	2	2	-
City Dispensary	1	1	-
National Benevolent Institution	2	2	-
School for Indigent Blind	2	2	-
Governesses' Benevolent Institution	2	2	-

GLYN'S: 1753-1953

Church of England Scripture Readers' Association	£2	2	-
Destitute Sailors' Asylum	2	2	-
Discharged Prisoners' Relief Society	2	2	-
	<hr/>		
	£879	11	-

In addition he contributed in that year over £4000 to the building of the church at Fontmell Magna, near his home at Gaunts. He died in 1863 — intestate and a bachelor.

So far as the succession in the Bank might have gone to his own children George Glyn was singularly unlucky. He was the proud father of nine sons. One died in infancy, two were soldiers, one was a distinguished naval officer, one was at the bar, and one was a clergyman and subsequently Bishop of Peterborough. This left three possible bankers out of the nine. The second son, St. Leger Glyn, was a partner in the Bank, but was compelled to retire through ill-health. He was succeeded in the Bank by Mr. Pascoe Glyn — the sixth son — in 1864. Pascoe Glyn had formerly been in Messrs. Robert Benson and he wrote to his father :

I can not sufficiently thank you for having brought about, what is to me, the *summum bonum* of my mercantile life. I am very sorry to leave Benson . . . but to be associated with you and George in such a position . . . is the summit of my ambition. I only hope I shall prove worthy of the place, and by degrees become a really useful working member of the firm, and a good helpmate to George.

Pascoe Glyn, though an able man, was of a difficult temperament, so that all Glyn's hopes for the Bank were really centred on his son and heir, George Grenfell.

George Grenfell Glyn had the training and all the attributes for success in Lombard Street. While he may have lacked the judgment and balance of his father and grandfather, he had a drive and energy which were remarkable and which might have carried the Bank to fresh triumphs in the difficult decades which closed the nineteenth century. He was born in 1824, and was educated at Rugby under Dr. Arnold — a choice of school which is a further pointer to the enlightened and progressive outlook of his father. He then went to University College, Oxford. His academic career was distinguished by his fondness for hunting. He was a contemporary of Matthew Arnold, and it might not be fanciful to suggest that Glyn can be pictured in the famous lines in 'Thyrsis' :

But hush! the upland hath a sudden loss
 Of quiet! — Look, adown the dusk hill-side,
 A troop of Oxford hunters going home,
 As in old days, jovial and talking, ride!
 From hunting with the Berkshire hounds they come.

On coming down from Oxford, Glyn went straight to the Bank, becoming a partner in his early twenties. He followed tradition by being elected to the House of Commons when he was in his early thirties. He sat for Shaftesbury — even then a notoriously corrupt constituency, but expenditure of that kind caused him no particular concern, and he was returned unopposed. Glyn's wealth no less than his intelligence and enthusiasm made him from the first an influential member of his Party during the years when it was emerging from the chrysalis of Whiggery into the more glorious

splendours of Liberalism. For a subtle and important change had come across the political scene since the days when George Glyn's great-grandfather and grandfather had sat in the House of Commons — and even since the days when his father was first elected for Kendal. A career in politics was now possible for wealthy City men, and beckoned alluringly in contrast with the humdrum security of Lombard Street. Formerly they had sat in Parliament as bankers, now the Bank unlocked the door to a career in public life.

In 1863 George Glyn had been approached to support a political candidate in the City. Replying, he said that after discussing it with his partners he could not help because this would mean a breach of 'our rule of avoiding interference in elections, parliamentary or civic, in the City of London'. Taking this line, could the partners justify one of the partnership becoming a prominent Party official? Three years later this question came to the fore.

In 1866 the Chief Whip of the Whig-Liberal Party was anxious to retire, and thought Glyn was the man to succeed him. Gladstone approached Glyn who demurred, and his father, George Carr Glyn, begged Gladstone not 'to press him for an answer'. Glyn soon made it clear that he could not accept unless he was allowed to remain a partner in the Bank — though an inactive one. The difficulty was that if the Party came into office Glyn, as Chief Whip, would have been one of the Secretaries of the Treasury. Some of the senior members of the Party felt dubious of the propriety of such a proposal. Lord Clarendon, a former Viceroy of Ireland, with all the earthly common sense of the true

Whig, wrote to Gladstone, 'A Secretary to the Treasury ought to be like Caesar's wife, and she would not be beyond suspicion if she was a sleeping partner in any concern'. But Glyn held his ground and was allowed to remain in the Bank — a resounding tribute to the standing and integrity of the Bank and of the Glyn family.

The career of Glyn as Gladstone's first Chief Whip is outside the concern of this book. But it would not be unfair to add — nor is it irrelevant — that the enormous wealth which he derived from the Bank was of great service to him and to Mr. Gladstone's policy. One of the most engaging qualities in Glyn was his complete devotion to Gladstone. At the General Election of 1880 he was long remembered at the Reform Club when he strolled in to hear the Election results wearing a cape and a Jehu hat. Waving this unbecoming head-gear he led the cheering as the great tide of Liberal victory came flooding in.

He died suddenly in 1887 leaving almost £2,000,000, and at his death his holding in Glyn's was calculated for Inland Revenue purposes at £978,000. *The Times*, which at that period was in the hands of very narrow Conservative interests, bitterly opposed to Gladstone's Irish policy, did not hesitate to say that some of Glyn's political expenditure had stirred the suspicions of good judges of electoral law.

But the important point is that George Glyn was lost to Lombard Street from 1866 onwards. His money remained, but his vigorous flamboyant personality found its fulfilment — not in quiet discussions about the money market or advances to customers — but in

shepherding laggard Members of Parliament into the Lobby behind Mr. Gladstone. His departure drew attention to the lamentable absence of successors to George Carr Glyn.

The situation was an extremely serious one because of the great expansion in business and in the number of clerks with all the problems in management to which this gave rise.

At the beginning of the 1860's the partners made a complete break with the long-established practice of their House by appointing a manager from outside — a buffer between themselves and the clerks. No doubt necessity played some part in this change, though the partners were doubtless also influenced by the example of the joint-stock banks. For this position they chose a remarkable Yorkshireman — William Newmarch. Rough and uncouth, with a grating accent, he seemed to epitomise those characteristics which earned for his profession of economics the nickname of the dismal science. Hollow-faced and bespectacled — his shell spectacles were often perched on the top of his forehead — he looked lugubrious. Yet there could be no question of his worth and ability. He had started his career as a cashier in the bank of Leatham, Tew and Co. at Wakefield. He moved to the Agra Bank in London in 1846 when he was 26. In London he quickly made his mark as a writer on economic questions in the *Morning Chronicle*. He soon attracted the favourable notice of George Carr Glyn and of Tooke; on their advice he accepted the secretaryship of the Globe Insurance Company in 1851. For the next ten years, in addition to his work at the Globe, he collaborated with

Tooke in the later volumes of the *History of Prices*. He succeeded Gladstone as President of the Statistical Society, and was always an active member of the Adam Smith Club and of the Political Economy Club. His contributions to the *Economist*, which were anonymous, were valuable. He was a Fellow of the Royal Society — at that time a marked honour for a City man.

Yet in spite of his towering capabilities he was not a wise choice for manager. He himself seems to have been disappointed, hoping no doubt that his appointment would have led to something higher in the Bank. When he was appointed George Carr Glyn was moving to the end of his dominance in the Bank, and Newmarch must have felt the absence of his friend and patron in the less congenial climate of the Bank which prevailed thereafter.

Many stories circulated about Newmarch at the time, and they are not wholly forgotten in Lombard Street today, for he attracted some unpopularity, which is perhaps inevitable for one who joins an organisation with a reputation established outside. On one occasion there was a run on the London and County Bank which was opposite Glyn's in Lombard Street. Newmarch himself was said to have appeared with a bucket of water and to have started swilling down Glyn's steps to discourage the crowd from any attempt to foregather outside No. 67. Twelve years after he joined the Bank he brought in his son, W. T. Newmarch, as confidential assistant to the partnership. Some cruel sketches of father and son were passed round among the clerks, inscribed below 'Saith the old Obadiah to the young Obadiah'. They quoted with wry faces Newmarch's

favourite dictum when dealing with the staff, 'It is always my desire to err on the side of liberality'. A missive was prepared (though whether it found its way to the great man's table is uncertain) in the spirit of the Fenians; it was embellished with coffin and skulls, cross-bones, a pistol and a dagger dripping with blood, and it read:

Sir, this is to give notice that unless both a good rise and bonus be given at Xmas, you will be at once boycotted.

Rory o' The Hills.

At the end of his career, after he had decided to leave, he had a stroke in the office, and it is whispered that the clerks who carried him downstairs were careful to bump his head on each of the steps so that he should not return. He never did.

Yet it is difficult to avoid some feelings of sympathy for Newmarch. He was in a post which was decidedly lucrative but which was not in all respects congenial, and left him no time or energy for the pursuits he loved. In his memory a fund was collected to provide a William Newmarch Professorship at University College, London. Although Mr. Gladstone refused to contribute to this, the Bank contributed handsomely, and the income of the fund was supposed to provide six lectures in political economy in the year. For as the *Economist* wrote of him, 'His name will ever be entitled to respect and to a high place in the list of the most able economical writers of the present day'.

CHAPTER TEN

BERTRAM WODEHOUSE CURRIE

As the 1860's dawned — the period when the confidence and gusto of the Victorians first showed signs of faltering — a complex variety of difficulties pressed heavily on the Bank. The crisis of 1857, to which some reference has already been made, slowly gave way to the trading and commercial stress accompanying the civil war in America. Simultaneously the advance of the joint-stock banks was general and relentless, so that the great Bagehot, in his book on Lombard Street which was written in 1870, could write that he did 'not anticipate with certainty the continuance of our system of private banking'. Judged by actual figures the growth of the joint-stock banks was not spectacular. In 1841 there were 115 in England and Wales : in 1886 there were 117. In the same period the private banks fell from 321 to 251. The menace lay not so much in the multiplicity of joint-stock banks as in the volume of business they were attracting.

Although Glyn's was still a large and thriving concern, there were grounds for uneasiness in the minds of the partners about the future. The obvious precaution was to increase the business and resources of the Bank by judicious amalgamation. As far back as 1841 Glyn's had taken over the business of Ladbroke and Co. and some twenty years later an altogether larger amalgamation

was under consideration — namely, with the old-established Cornhill firm of Currie's.

This bank had been founded in 1773, immediately after the crisis of 1772, and one of the original partners had been a clerk in the Fordyce Bank whose collapse had precipitated that crisis. Another of the original partners was a director in the Sun Fire Insurance Company; this link began a valuable banker-customer connexion which has lasted for two centuries.

William Currie, the first member of the family in the business, was a Scotsman who seems to have brought the habits of his native land to London as he owned a distillery at Poplar, in addition to his banking activities. He married a daughter of Isaac Lefevre, who also owned a distillery and was to found a family which reached political eminence in the nineteenth century. William's son Isaac was taken into the Bank when he was in his teens, in the 1770's, with the agreeable warning that if his father caught him outside he would brain him. The partnership agreement at the turn of the eighteenth century contained an interesting clause, which was perhaps tacitly accepted in most private banks at the time: this stated, 'If either of the parties shall at any time . . . speculate or deal in the Public stocks or Funds, or in Scrip or Omnium by way of time bargains, or shall at any time lose at any Game or Games of Chance or Hazard at any one period or sitting any sum or sums of money amounting in the whole to fifty pounds . . .' then it was open to the other partners to dissolve the partnership, advertising the dissolution in the *London Gazette*.

Isaac Currie, the son of the original partner, con-

tinued to control the fortunes of the Bank for some sixty years till his death in the 1840's, when he was succeeded by his son Raikes Currie — well known in Victorian times as a Radical Member of Parliament, and though clever and far-sighted something of an amateur both at St. Stephen's and on Cornhill. His slightly contemptuous outlook on the source of his wealth is illustrated by his saying that in comparison with other banks Currie's was but a chandler's shop. From 1847 onwards most of the business was conducted by Bertram Wodehouse Currie — son of Raikes Currie — and one of the great names in English banking, to whom this chapter is fittingly devoted. He was born in 1827.

As the 1850's developed, Bertram Currie saw no less clearly than did his more experienced fellow banker in Lombard Street, George Carr Glyn, that the day of the small private banker was fading. For seventy years he and his forebears had conducted a lucrative and respectable business, never moving from their original premises at the very heart of the City of London. Throughout these later years Bertram Currie seems to have envisaged an eventual amalgamation between his firm and other private banks. In May 1864 talks to this end were begun between Currie and Sir John Lubbock, the most influential partner in Robarts, Lubbock and Company. A hitch developed in the negotiation — news of which reached the attentive ears of Sir Charles Mills. An approach was made and on June 2nd, 1864, Bertram Currie was writing to his father, 'Wonders will never cease. I have just declined the embraces of R, and tomorrow put myself under the

probation of G. This is a bold move, but I think a wise one.'

Under the agreement between Glyn's and Currie's Bertram Currie and his father were taken into partnership, and on July 1st, 1864, the firm became Glyn, Mills, Currie and Co.

In the Partnership Agreement there were one or two unusual points. After amalgamation the business was to be divided — as to two-fifths to the Glyns, as to two-fifths to the Millses and as to one-fifth to the Curries. Each family could make such arrangement among themselves as they wished over their share, and were at liberty to introduce new members of the family into the partnership. These rights were to be hereditary to the family. The head of each family — that is the 1st Lord Wolverton, Sir Charles Mills and Mr. Raikes Currie — were not compelled to attend to the partnership business 'beyond what may be suitable to their own convenience'. With reference to the shares of the family it was stipulated that there should be £150,000 in Consols in both the Glyn and Mills shares and £75,000 in the Currie share, to be increased respectively to £200,000 and £100,000. All Currie's staff, including Lawford the head clerk, were to be transferred to the new business. Lawford's father had been a partner in Currie's during the early decades of the nineteenth century, and when the father retired in 1837 a small capital sum, about £3000, was kept in the firm on account of the sons although they were only clerks.

The amalgamation with Currie's was followed by a proposal for further expansion when, two years later, an offer was made by a group of Scottish banks to buy

half the capital in Glyn, Mills. The group comprised the Union Bank of Scotland, the Clydesdale, the Bank of Scotland and the British Linen Bank, and their desire was obviously to get a footing in London with the resulting facilities at the Clearing House. Negotiations resulted in a decision whereby the Mills family were to sell their share for some half million — the agreement to take effect in the summer of 1866 — but the project was abandoned after the calamity of that May — the collapse of Overend, Gurney and Co.

Overend, Gurney had been founded in the year after Waterloo and they had gone ahead with great strides — being more in the nature of bill brokers and a discounting house than purely bankers. They were known in the jargon of the time as 'The Banker's Banker' and had won a position for themselves second only to the Bank of England. In the 1850's a younger generation of partners was at the helm and they swiftly steered their boat into dangerously murky waters. They were neighbours of Glyn's, being at No. 64 Lombard Street. After a series of uncomfortable rumours Overend, Gurney failed for £5,000,000 on May 10th, 1866. As Bagehot correctly but drily observed, 'Their losses were made in a manner so reckless and so foolish that one would think that a child who had lent money in the City of London would have lent it better'. On the following day, May 11th, the bank-rate was raised to 10 per cent; terror assailed the City and the day itself was long remembered as Black Friday.

Certainly the scene in Lombard Street that day was an unrivalled one — people having poured into the narrow thoroughfare to enjoy the spectacle of panic, of

rumour flying from mouth to mouth, much as their contemporaries gaped and exclaimed at the sombre potency of fire. An anonymous resident in Lombard Street wrote a sensible letter to *The Times* on May 11th :

SIR,

The greatest difficulty has been thrown on the bankers to-day by the very inefficient way in which the authorities, whose business it is to keep the streets clear, have attended to their duties. Lombard Street has been literally impassable from the stagnation of idlers, and the passage from the various banking houses has been so far stopped by these that access to the clearing house has been rendered next to an impossibility. It is of little use bankers having open doors and full tills if the crowd of gazers keep their customers from access.

A VOICE FROM LOMBARD STREET.

The Times added that the Lord Mayor himself, at the head of a great posse of police, was observed trying to clear the street — but in vain.

So soon as the failure became known, Mr. George Grenfell Glyn, Mr. R. C. L. Bevan (of Barclays Bank) and Mr. J. Kirkman Hodgson (of Baring Bros.) were asked by the Bank of England to consider whether the affairs of Overend, Gurney were sufficiently sound to justify the Bank of England or the Lombard Street banks in assisting it so as to avert a crash. Their report was adverse.

Although Glyn's Bank was in no way involved in the Overend, Gurney disaster the general chaos caused — the bank-rate remained at 10 per cent for three months — obviously made the Scottish banks hesitate, and they were released from their agreement. This had the effect

of throwing the partners back on their own resources, of encouraging them to make the best of what they had.

All these events — the amalgamation with Currie, the negotiations with the Scottish banks and the generally bleak outlook for private banking — not unnaturally strained the partnership — especially the two veterans Sir Charles Mills and Lord Wolverton who had been nurtured in an earlier tradition. Some letters of theirs have survived which throw an interesting light on the relations between business associates at that time and of the straightforward character of the two men principally concerned. It will be appreciated that in these somewhat intimate affairs the two points uppermost in the minds of the partners were the amount of capital contributed by each family and the rights of succession to the partnership.

In the September after the amalgamation with Currie's Sir Charles Mills stated his family case that the Millses were entitled to four-tenths 'of the Business of G. M. C. & Co.' (*i.e.* the profits) provided that a property, liable to the claims of the depositors, was held by the Millses which was in proportion the same as that held by the other families. There followed an interesting sentence about the means of differentiating between an active partner and what might be called a sleeping one. 'If on account of more personal labour an allowance is asked for any working Partner, it must be given hereafter as a Money Payment, and not by a transfer of any portion of the share.'

The Glyns had made it plain that one of the reasons why they wished for the amalgamation with Currie's was that the Parlour should be strengthened by the

wisdom and ability of Bertram Currie. They saw that the Mills family would not be likely to provide what was wanted, for Sir Charles Mills's son, afterwards the first Lord Hillingdon, was shrewd but much pre-occupied with the world of fashion and politics. However, as the following letter shows, George Carr Glyn had agreed that Sir Charles Mills should be succeeded by his son, though this was evidently not accepted without demur by Currie. (On the death of Sir Charles and Lord Wolverton, Mills's son would be — as he in fact became — the senior partner.) Sir Charles writing to Lord Wolverton says :

It appears that B. Currie feels some objection to our proposed Partnership Deed, not he professes on his own account, as the arrangement you made with him was a fair one. He thinks that I have the best of it as to my son's succession. You have I think acted most liberally on this point, but I do not see that he is affected by the arrangements between our two families. . . .¹ Of course, all Partnerships are liable to change as peculiar circumstances may arise, but I can never consent to rearrange on the death of any or every partner. It is just the most unfit time. We each want to go out of the world with the notion of having settled matters, and we both know that in our time no question on Partnership matters has ever been raised.

In the course of a long answer on the same day Lord Wolverton wrote, 'in principle the plan is good and I shall always be desirous of carrying it out. In detail it is more difficult. I have one object in view, which is to avoid the chance of jealousy or difference between the

¹ On his side Sir Charles had agreed that irrespective of who might be the senior partner, Glyn should always be the first name in the official style of the firm.

younger ones when we are gone.' He ended his letter with a cheerful allusion to the cattle disease which 'is around us, but we remain free at present'.

Sir Charles replied to this :

Hillingdon Court,
Uxbridge.
Sept. 9, 1865.

MY DEAR GLYN,

Many thanks for your note, it is all that I could desire, and I only write now because there is neither time or room for conversation in L. Street. . . . The division into families has worked well. We have during our lives never had any dispute or jealousy. I feel that I derive benefit from your increasing wealth, and the more you have the better. . . . Charley [afterwards the 1st Lord Hillingdon] has two sons ages 10 and 9. He intends them both for the business, and it is well this should be known, for it is of some importance that our Connection should feel confidence in the continuance of our concern.

But in addition to these family matters and the eventual rights to the Parlour of the Masters Charles and Algernon Mills a more serious question divided Sir Charles and the rest of the partnership. Older by a few years than Lord Wolverton, a partner in the Bank when Napoleon still ruled France, the friend and colleague of Sir Richard Carr Glyn, he was, above all else, a believer in private banking. He had the healthy contempt for joint-stock banking of the true commercial aristocrat. The indignation of the following letter to George Grenfell Glyn, the 2nd Lord Wolverton, is explained by the fear that George Glyn had been casting round for some arrangement of a joint-stock character.

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67, Lombard Street,
E.C.

Sept. 8th, 1865.

MY DEAR GEORGE,

I have reflected upon what passed between us yesterday and shall certainly resist any attempt to diminish in my time or my sons the 4/10th shares in the business to which we are indefeasably entitled, both by descent and property. If at any time hereafter my son should be willing to give anything to a working Partner, it should be done in the shape of a money payment and not by relinquishing a share.

Considering the many years during which we have been Partners, I am both surprised and hurt that you should have conferred with Currie on Partnership matters without saying a word to me or my son. As you have done this it would be a relief to me to know whether before our junction with Curries you did not hold a conversation with a Partner in Huth's House as to disposing of or jointstocking our concern. Tom Dent¹ alluded to it some weeks since and I did not notice the report because I felt sure I should be the first person with whom you would communicate and did not, and do not now, believe that it could be otherwise.

Implicit confidence between Partners is most desirable in our great and prosperous concern. Excuse anything in the strong expression of feelings at my age,

and Believe me

most truly yours,

CHARLES MILLS.

The following letters throw an interesting light on the views of the senior partners over the future for private banking, and explain why the Mills family was prepared to retire at the time of the abortive negotiations with the Scottish banks.

¹ A member of a family prominent in the East India and China Trades.

BERTRAM WODEHOUSE CURRIE

Hillingdon Court,
Uxbridge.
22nd Feb. 1866.

MY DEAR GLYN,

I differ with you as to private banking. I think it will last many years. Our business is better than ever — it is admirably managed. We have got rid of nearly all our anxieties, have paid for our experience, and shall now reap the benefits.¹

As I told you, I cannot honestly be a party to any negotiation to joint stock. . . .

You and I have been together 50 years, and have never materially differed on any point. I cannot, therefore, feel any anxiety as to the future.

C. M.

Eccleston Street.
22nd Feb. 1866.

MY DEAR MILLS,

Thanks for your note. . . .

I regret with you these discussions on Business, but they really are forced on by the state of the times and the new aspects of banking in particular. With you I would much rather have remained quietly with our respected occupation and its advantages, but I feel strongly that although we may manage to retain the latter for a time, yet eventually private banking must give way, and therefore it is not wise in us, as a mere matter of feeling, to disregard an offer from such quarter as that likely to be made and perhaps involving in it larger considerations and consequences than are now developed to us.² I feel convinced the people in question will make an arrangement in London somewhere — you may feel sure of that.

¹ This is a reference to the Canadian obligations.

² The negotiations with the Scottish banks.

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There is also another consideration which I would bear in mind. The articles of partnership are not settled, and whatever they may be, I fear uncomfortable feelings may have been created and that the future may be disquieted.

I hear you feel strongly — that I saw yesterday. I also have my feelings, tending towards yours, but I also feel that for the advantage of *all* an offer like that which may be made, should be considered, and, if satisfactory, overcome these feelings.

Ever yours truly,

GEO. CARR GLYN.

The following letter to his son shows that Sir Charles was prepared to abandon his share in the Bank rather than be involved in joint stocking :

Hillingdon Court,
Uxbridge.
23rd Feb. 1866.

MY DEAR CHARLEY,

Since writing to you last night it has occurred to me to suggest that though I cannot consent to Joint Stock, yet if the Parties and my Partners were willing to buy my interest in the House for a large sum, I might be willing with your approval to go, and leave it open to you to do what you like as to going on.

I fancy the whole of the Business would be worth a million. Our joint 2/5ths would be worth £400,000. I would take £200,000 and leave you the other 2 to do what you like with to go on certainly for a time to keep the connection together.

If you consent to this view you may shew this to the Glyns and Currie. I am most desirous not to thwart their plans.

Ever affect.

C. M.

Although, as has already been explained, the Overend, Gurney crash put an end to these negotiations they did disturb the long-standing genial relationship between the two families. And when Lord Wolverton received the offer of his peerage it was to Currie and not Sir Charles Mills that he wrote for advice, as is shown by the following letters :

Stanmore Park,
Great Stanmore.
17 Aug. 1869.

Confidential

MY DEAR B. CURRIE,

I want to consult you upon a matter of some importance. The offer of a peerage is to be made to me. It is *unasked* for by me and by George also ; it does not even start from Mr. Gladstone, but was suggested, as I hear, by Lord Granville on the ground of my fidelity to the Liberal Party, but this offer takes me very much by surprise, and I want advice. No doubt it is one of those opportunities which for the sake of one's family should be availed of, if practicable and compatible with other matters. Now I want to know whether the acceptance of a peerage would compel a man to give up his partnership ; if so I must decline the honour, for no consideration would induce me to sever my property from the banking house. There are cases of peers continuing in business, but the circumstances may differ from mine.

*At my time of life it can make little difference to me, but I must not overlook my family and the possible advantages hereafter to its members. I certainly shall not accept any offer which may place me in a false position. Pray keep all this to yourself *at present*, even Pascoe is not aware of the matter, but give me your advice as a partner and a man

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of the world, and without delay for I may have to act directly about it.

Ever yours truly,

GEO. CARR GLYN.

67, Lombard Street.

17 Aug. 1869.

DEAR MR. GLYN,

Your note arrived just as I was leaving the City, and as you ask for my opinion without delay I have no hesitation in saying that I sincerely hope you will accept the offer.

It does not much surprise me as I always thought that when the present government made any peers you would be amongst the first, as your public services and position in the world most fairly entitle you to be.

There can be no earthly reason now why a peer should not be a partner in a house of business, and as your partner, I am much pleased to hear that you will make a stipulation on this point.

I remember in the case of Overstone that Ld. John told him he had no cause to leave his bank. Since that time it must have become evident to sensible peers that it would be better that other interests than those of the land should be represented in the House of Lords.

As to the opinion of the world in general I am convinced that the creation would be thought a most proper one.

Believe me, dear Mr. Glyn,

Most truly yours,

B. W. CURRIE.

When Sir Charles wrote to congratulate Wolverton he said, 'I did not know that you would be allowed to remain in business'. In this he showed the old eighteenth-century conception of the peerage as being linked

with land. When Pitt in 1797 rewarded a member of the great banking family of Smith with a peerage he is supposed to have made this conditional on Smith retiring from his bank, as the following jingle implies :

Bob Smith lives here ;
 Billy Pitt made him a peer,
 And took the pen from behind his ear.

With advancing years Lord Wolverton and Sir Charles Mills increasingly withdrew from Lombard Street, leaving as the active partners Mr. Pascoe Glyn, Mr. Charles Henry Mills and Mr. Bertram Currie.

For the thirty years after the 1866 crisis Bertram Wodehouse Currie was the dominant personality in the partnership, and it would be no exaggeration to say that there was in those thirty years no more prominent figure than he in Lombard Street and in the whole field of monetary policy. He exhibited throughout his life the principal virtue of private banking, namely a single-hearted devotion to that business untrammelled by commercial connexions outside the Parlour. He was born in the London of King George IV and he died in 1896 at the age of 69. He was educated at Cheam under the progressive Dr. Mayo who taught his boys with such terrifying realism about the Last Trump that the youthful Currie jumped out of his skin when someone blew a cornet in the street. He went on to Eton, and joined the family bank in 1847 when he was 20. Looking back at the end of his life, he said that his life's work 'for 50 years has been to me a congenial pursuit'.

Although Currie's working life might not be considered laborious in contrast with twentieth-century

standards, he certainly realised that success in the City was only to be won by the shunning of delights. He saw clearly that the repute of merchants and bankers was not achieved by chance. Civic honours were by no means the only distraction in their path, and he realised that in the nineteenth century they were far more likely to be lured away by the glittering prizes of Westminster or the soft delights of social life. He noted that his own elder brother's career in Lombard Street was made monotonous and irksome to him by the pull of society and he added, 'I used sometimes to envy his powers of enjoyment. Hunting, shooting, yachting, all delighted him in turn' (and then he adds with typical Victorian prudishness), 'and the so-called pleasures of the table aggravated, I fear, the disease of which he died.'

He started with one considerable advantage over many of his contemporaries in that he was well travelled both in Europe and in South and North America. On these cosmopolitan foundations he added a firm understanding of financial matters and the shrewdness which has always distinguished his family.

His private circumstances were affluent, and he lived if not luxuriously at least in the greatest comfort. He had a house in Whitehall, another at Coombe, near Kingston, and a third near Bagshot. His house at Coombe and Minley Manor on Bagshot Heath were built or altered by him in the debased Elizabethan style which was loved by the Victorians. In these operations he chiefly employed Mr. George Devey who did infinite harm to a large number of country houses in England, Scotland and Ireland. The results were dark and gloomy, and a distinguished visitor to Minley,

pressed to admire the building, grudgingly admitted, 'If it was absolutely necessary to build a house on the wastes of Bagshot Heath, I don't know that you could have done better'. Yet the creator of those oriels, galleries and twisted chimney-stacks never ceased to inveigh against the horrors of suburban villas, and he thought there were no surroundings more banal and uninspiring for the young. Like Lord Randolph Churchill he viewed with marked distaste 'the pineries and vineries of suburban life'. Perhaps this nonchalant indifference to humanity was the real reason why he ceased to come to the City by train. He once explained this on the ground that the London and South Western was always unpunctual but it is more likely that he did not like being enclosed in a carriage where he could not choose his company. He used to drive himself in a buggy from Wimbledon, returning in the evening from his stables in Whitehall. Later his family insisted on his using a mail phaeton. In contrast with modern fashions he was strangely fussy over his health and was capable of governing his summer holiday by a search for salubrious water, and on one occasion for 'granitic air'. Yet he could always laugh at himself, and he once told his wife (a devout Roman Catholic) that he liked going to doctors in the way that other people liked seeing the clergy. He was a devoted family man and suffered the tribulation of losing all his children except one, including the eldest, Isaac or Zak, a young man of decided promise who had just started in the Bank.

Currie, unlike the Mills family, took no prominent place in society and, unlike the Glyn family, no prominent place in politics. He was rather one of those

wise but retiring men whose company is sought by the more discerning section of mankind. In particular Gladstone was on terms of the closest friendship with him, accepting his hospitality at Coombe (where a meeting of Ministers was once held) and turning to him on countless occasions for counsel on financial topics. On Christmas Day 1896, when Currie lay dying, Gladstone, an octogenarian of 87, wrote in his own hand a letter to Mrs. Currie which contained these words :

· The withdrawal of his presence from the City of London is the loss of a great light in a place where light is not, indeed can not be, too abundant. I can not but be moved by thinking of one as an invalid who is so much my junior, and from whom I have received so much kindness in so many forms.

After Currie had died Gladstone wrote to his widow, saying :

I had the greatest respect for his mental powers. He was so entirely first among the men of the City, that it is hard to measure the distance between him and the second place ; and at any time it would have been a grave shock to me to find myself differing from him on any economical question.

With politics, although he was a strong party man on the Liberal side, Currie had little overt concern. Unlike his predecessors in the Bank of a century earlier he deliberately shunned the House of Commons which, as he frankly expressed it, 'would have diverted my mind from money-getting'. He disliked the idea of being a carpet-bagger, and it so happened that the constituencies where he lived and worked were in the

ineradicable grasp of Conservatism. With a sort of *fin-de-siècle* fatalism which distinguished him, he stood apart from the heat and burden of the fray, contenting himself with being 'the fortunate possessor of six votes, without having the remotest chance of returning a candidate of my choice'.

He did from time to time accept work under the Government — he was a member of the Council of India and he was also on the Irish Financial Relations Commission in the 1890's — but he really established for himself a position as the oracle of sound finance — a wise exponent of orthodoxy.

This was particularly marked by his opposition to monetary experiments and his defence of the gold standard. In 1892 he consented to go to the International Monetary Conference in Brussels as one of the British delegates. It had been convened at the desire of the United States to discuss their proposals for a bimetallic system. Currie opposed it in a powerful speech in French. Following this in April 1895 he called a meeting at Glyn's of leading bankers and heads of financial houses 'to consider whether some concerted action should be taken for opposing the movement now on foot which has for its avowed object to effect a change in the existing monetary system of this country'. As a result of this meeting the Gold Standard Defence Association was formed.

The balanced wisdom which marked his intervention in public financial affairs likewise distinguished him in the handling of three important matters which developed during the time he was the controlling force in the Bank.

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On January 14th, 1885, the following circular was issued from Lombard Street :

DEAR SIR,

We have the pleasure to inform you that we have decided, on the occasion of the New Year, to carry into effect a plan which we have had for some time under consideration, and which we confidently believe will be acceptable both to our friends and to the public.

We propose in future to publish a half-yearly balance-sheet, in accordance with the practice adopted by Joint Stock Bankers.

This balance-sheet made up to 31st January and 31st July of each year will be issued as soon as practicable after those dates.

In order to give effect to this intention we have considered it advisable to register ourselves as a Joint Stock Company under the firm of Glyn, Mills, Currie & Co., with a paid up Capital and reserve of One Million Five Hundred Thousand Pounds (say £1,500,000).

All the existing partners will remain in the firm. They will continue to give their personal attention to the business, in the conduct of which no alteration whatever is contemplated, and their liability for its engagements will be, as at present, unlimited.

Trusting that these measures will meet with your approval, and thanking you for the confidence hitherto reposed in us,

We remain,

Your faithful Servants,

GLYN, MILLS, CURRIE & Co.

This move, which was a complete breach with the traditions and theories of the past, showed decided

courage. *Truth*, then under the scourging editorship of Labouchere, was correct when it published a paragraph, 'Mr. Bertram Currie is a reformer, and I presume that the new departure in the Bank of which he is a partner is due to his reforming mind'.

There can be no doubt that the principal cause for the decline of the private banks was that their affairs were shrouded in secrecy — a secrecy which appeared the more mysterious in contrast with the published accounts of the joint-stock banks. As the *Economist* well expressed it, 'The man who trusts his money to a private bank must walk by faith alone'.

By its decision the Bank won for itself the principal advantages of both systems of banking — the publicity of the joint-stock system and the conduct of the business by men exclusively trained for that work and free from other business interests. This meant — as has previously been emphasised in this book — that the Bank could still deal with customers speedily and without risk of the matter coming before business rivals — a risk which often confronted the customer of the joint-stock banks.

When the first balance-sheet was published it showed that the magnitude of the business had been generally under-estimated even in City circles. In fact the volume of business was only rivalled by two or three of the largest joint-stock banks. In 1889 — the fifth year of publication — the accounts showed that the total assets were almost £17,000,000 — an increase of more than 50 per cent since 1885. When the circular about the publication of accounts was first published the *Standard* stated, 'The probabilities are that the English private

banks will have to go'. But the paper went on to say that as the liability of each partner in a private bank was unlimited, such banks had an advantage over the joint-stock bank, assuming that the partners had a private fortune in addition to their shares in the partnership. The *Standard* shrewdly pointed out that banking of this kind 'might be expected to be both more vigorous and, on the whole, more prudent than the Boards of Directors and salaried managers'.

This departure from established practice by the publication of a balance-sheet, which was gradually followed by the other private banks, was marked in the case of Glyn's by a gratuity to all the staff. This ranged from £10 to those with less than a year's service up to £70 for all with thirty years' service.

The second important matter where Currie influenced events was over the Manchester Ship Canal. The Manchester Ditch, as it has been rudely called, was in fact one of the two or three greatest engineering works in all Britain. It is a tidal canal 35 miles long and nowhere less than 26 feet deep which connects Manchester with the sea. The total cost of the project was £15,000,000. The credit for raising the money and pushing the project through belongs primarily to the enlightened Corporation of the City of Manchester. But so far as London is concerned the Canal owes much to Glyn's, for at a time when Rothschild's was dubious of raising the necessary finance in the City, Glyn's, who were bankers to the Company, gave them steady support. The Bank advanced three-quarters of a million pounds towards the purchase of the Bridgewater Canal and a further quarter of a million pounds

towards the construction of the Ship Canal. In 1891 the deputy chairman wrote to B. W. Currie :

I wish to record how deeply sensible I am of the great obligation my Board have been under to yourself and partners, and I also desire to assure you that but for your timely assistance and valuable counsel it is very doubtful if the Manchester Ship Canal would have been begun.

The third important matter, in which the whole country had reason to be grateful to Currie, was over the severe financial disaster of 1890 popularly known as the Baring Crisis. Although the disaster of that year has been identified with a single firm, it was in fact an international slump, from which Baring's owing to mistakes of judgment could not readily disentangle themselves. In justice it must be added that at worst the partners in Baring's had been infected with that species of sanguine over-confidence about money which marked the closing years of the century. At that time they were very active in Argentina where they had long been supreme and had much specialised knowledge. In the summer a revolution broke out in that country, where the President was overthrown, and its credit was broken. The panic spread at once to the United States where again Baring's had substantial interests. By the late summer the financial centres of Europe — except Paris and London — began to shake, and by October the City was affected. Most observers in the inner circle of the City — with the exception of the then editor of the *Economist* — had considerable sympathy with Baring's who may have been rash but were, given time, fundamentally sound.

B. W. Currie was not only a business associate of

the Bishopsgate firm, but a close personal friend of the family. Mr. Edward Baring, by that time Lord Revelstoke and the head of the firm, was a lifelong friend, and both men in their youth had made extensive travels together in America and Europe. Many years before when old Mr. Thomas Baring, who was Lord Revelstoke's uncle, died, Currie wrote to his father :

MY DEAR FATHER,

Poor old T.B. went off at 4 P.M. yesterday. On Sunday he revived a little and smoked half a cigar but relapsed again and was unconscious for 30 hours before his death. New-march will write a notice for the *Economist*. I suppose most of the papers will refer to him in terms of merited praise. He was certainly a proof, if any were wanting, that a merchant may be as good a gentleman as an acredited Lord or squire and he was wisely content with and proud of his trade. I don't think he has left his equal behind. . . .

Yours affectionately,

B. W. CURRIE.

Fortunately B. W. Currie has left on record an account of his share in the events of the crisis. Before this is quoted it should be noticed that the credit for saving Baring's has generally been accorded to William Lidderdale — the courageous Governor of the Bank of England — and to the joint-stock banks. In fact the credit should really be shared by Lidderdale and Currie. Nor will it be overlooked that all these events were of great significance because they mark the first occasion on which bankers, as a body, subordinated their own individual interests to the necessity of joint action for the common good. Only three years later the banking system of Australia was to collapse through failure to



Bertram Wodehouse Currie

act on the principles which guided the leading minds of the City of London through the dark days of 1890.

Mr. Currie has thus set out his story.

‘I have been asked to put on record my recollection of the circumstances attending the Baring crisis of 1890 so far as I was personally concerned with them.

The first intimation of any trouble in the affairs of Messrs. Baring Brothers & Co. was conveyed to me by Mr. S. Brunton, the broker, on October 13th 1890. He came with a message from Lord Revelstoke to say that the firm required a large sum of money, and that it was difficult for them to appear in the market as borrowers. Before replying to this proposal I told Mr. Brunton to ask Lord Revelstoke for a statement of the bills payable and receivable. He returned with the answer that the acceptances of the firm amounted to 10 million £.stg. and the bills in portfolio to 9 million £.stg.

Thereupon Glyn & Co. made an advance to Messrs. Baring of £500,000 on the security of stock in A. Guinness & Co. Ltd. standing in the names of various partners in the Baring firm. Subsequently a further sum of £200,000 was advanced on Canada Government Treasury Bills, and £50,000 on securities sold for delivery on the Stock Exchange.

On the 11th November the annexed letter from the Governor of the Bank reached me.

Bank of England,
11th November.

DEAR MR. CURRIE,

I want to see you on a very important matter. Could you come over here soon? I go to the Treasury at 4.30 P.M.

Yours faithfully,

WM. LIDDERDALE.

The very important matter was that the firm of Baring Brothers & Co. were in difficulties ; that the writer had been in communication with Mr. Goschen, the Chancellor of the Exchequer, on the subject ; that the latter had provisionally agreed to the suspension of the Bank Charter Act so as to enable the Bank to afford assistance, but that H.M.'s Government required to be assured of the solvency of the firm, and with that object Mr. Lidderdale proposed that, in conjunction with Mr. Hoskier (a former partner in the firm of Brown, Shipley & Co. and a friend of Messrs. Baring), I should look into their affairs and express my opinion as to their condition. I declined to act with Mr. Hoskier,¹ but offered to do so with Mr. B. B. Greene.²

Having undertaken, in conjunction with Mr. Greene, a director of the Bank of England 83 years of age, to verify as far as possible the figures contained in a statement which had been handed to Mr. Lidderdale by Messrs. Baring, we proceeded together to their counting house in Bishopsgate Street, examined and counted the bills receivable, which amounted to about 7 millions. We required each partner to authenticate the above named statement by appending his signature thereto. Mr. Greene undertook the valuation of securities, adopting the prices quoted in Wetenhalls list wherever practicable.

On Friday 14th November after leaving the India Office, I called about 2 p.m. on Mr. Greene at the Bank and found him uneasy in his mind about the value of the securities, and impressed with the magnitude of the advances which it might be necessary for the Bank to make in order to meet Messrs. Baring's engagements, the bills payable alone amounting to £15,750,000.

¹ Presumably because the enquiry would have then been conducted by two friends of the Baring House.

² Benjamin Buck Greene — a former Governor of the Bank of England. A man of character and probity, and a member of a distinguished Suffolk family.

After some discussion we agreed upon a joint report to be made to the Governor of the Bank in which we said that, after verifying the statement as far as was possible in the limited time at our disposal, we were of the opinion that the assets of the firm shewed a substantial surplus over its liabilities.

At about 5 o'clock in the afternoon of the same day I was summoned to the Governor's Room at the Bank where several members of the Committee of Treasury were assembled, including, besides Mr. Lidderdale the Governor, and Mr. D. Powell the deputy governor, Sir M. Collet, Messrs. H. Gibbs, I. P. Currie, H. R. Grenfell, B. Greene, I. S. Gilliat, and possibly some others.

I was invited to take a seat by the side of the Governor, who, having informed his colleagues of the purport of our report, stated that he was prepared to recommend the Bank of England to undertake the liquidation of the Baring estate and to contribute One Million £.stg. to a fund for guaranteeing the assets, provided that a sum of not less than 3 millions was contributed by other parties. I then rose and said that, as an evidence of my belief in the correctness of the estimate which, in conjunction with Mr. Greene, I had made of the assets, the firm of Glyn & Co. would contribute £500,000 to the fund provided that Messrs. N. M. Rothschild & Co. would become responsible for a like amount.

At this moment it was announced that Lord Rothschild had arrived, and I was asked to see him. When informed of the circumstances of the case, and of the condition which I had made, he hesitated and desired to consult his brothers, but was finally and after some pressure persuaded to put down the name of his firm for £500,000. Mr. H. Raphael, Messrs. Gibbs, Morgan, Brown, Shipley & Co. and others joined in the guarantee for sums of £200,000 to £250,000.

At the request of the Governor I proceeded to call on

Barclay & Co. and Smith Payne & Co. who each promised a contribution of £100,000 so that about 6 p.m. an amount exceeding $3\frac{1}{2}$ millions had been subscribed without any application to the Joint Stock Banks, whose managers were summoned to meet the Governor on the following day, with the result that the amount of the fund was increased to about 18 millions.'

There are in the archives of the Bank of England various manuscript accounts of what happened in the crisis of 1890. The eminent historian who wrote the history of the Bank of England of course saw these but he was evidently not completely happy in his own mind as to the apportionment of praise. He adds this footnote: 'The late Lord St. Just¹ told me that Lidderdale's work in the crisis had been overrated and Bertram Currie's underrated. I can only suppose that Currie, besides what is recorded of him, was instrumental in raising the guarantee.'

He was, and events showed how well he was justified. The creditors were paid in full, the guarantors were never called on, and under the guidance of the young Lord Revelstoke the house of Baring not only survived but rose again to its former leading position. All the events—and Currie's share in them—are broadly but accurately recorded in the published diary of Wilfrid Blunt.

The then Permanent Secretary of the Treasury has also left an account of what happened and with succinct accuracy he describes Currie as 'admittedly' the first authority in the City on Banking questions'.

The Chancellor of the Exchequer during these exciting weeks was the discreet and overrated Goschen

¹ A partner in Morgan Grenfell.

whose cautious temperament bordered on the timid. Thoroughly scared by what had passed, he took advantage of a speech to a consortium of Yorkshire business men to attack the London banks and more specifically the private banks. He said, 'I must give utterance to a strong conviction that the present scale of the cash resources of the private banks and of other financial institutions is inadequate to the necessities of the country'.

Gladstone at once wrote to Currie :

I received an account of Goschen's speech yesterday and read a summary. My *provisional* impression was 'This is a piece of quackery'. And I immediately asked the question 'What will Mr. Bertram Currie think of it?' . . .

I think — provisionally as I have said — that the whole concern, including the mode and scene of promulgation, is utterly opposed to what would have been approved by the sound currency men now gone : Peel, Graham, Overstone, C. Wood, Cardwell, Northcote, and if last, not least, Lord Wolverton. But I am old and good for nothing. . . .

Mr. Gladstone's question as to what Mr. Currie would think was speedily answered. Under the pseudonym 'W.', Currie wrote to *The Times* as follows :

The banks who are invited by the Chancellor of the Exchequer to increase their cash reserves will naturally inquire to whose custody such reserves are to be entrusted. Is it seriously proposed that they should largely increase them for the benefit of a rival establishment, whose competition they already feel with increasing severity ?

The letter concluded :

I would observe that the present banking system has gradually developed itself to meet the exigencies of business

without State interference, that if it has not created our financial supremacy, at any rate it has been found compatible with such a supremacy as the world has never seen, and that under its operation no solvent firm has failed to meet its obligations. '

No banking system can be invented which will suspend the economical laws under which improvident trading leads to ruin, and the best service that the State can render in this and similar matters is to interfere as little as possible with the operation of those laws.

The improvements in our present system which seem useful and attainable are, I believe, to be sought in the direction of more extended co-operation between the Bank of England and the other leading banks, and possibly by the abandonment of the futile attempt to fix officially a rate of discount which it is impossible any longer to enforce.

On May 8th, 1891, a further letter appeared in *The Times* from the same source.

SIR,

The Bank of England Return of this week affords an instructive commentary on the Leeds speech of the Chancellor of the Exchequer.

It will be remembered that one of his contentions in that speech was that the other banks had failed in their duty of keeping adequate cash reserves, and that an unfair burden had thereby been cast on the Bank of England. It was not forgotten by those whose conduct was arraigned that the Chancellor of the Exchequer had been a director of the Bank of England before he became a statesman. '

Still, in deference to an appeal from such high quarters, the other banks proceeded to strengthen their cash reserves to an extent apparently of not less than four millions, that being the approximate increase under the head of private

BERTRAM WODEHOUSE CURRIE

deposits on May 6th, 1891, as compared with the corresponding dates in 1890 and 1889.

But how has the Bank used these increased reserves ? In the way which the other banks foretold — by lending them freely to the customers of these banks.

The notes in the Bank till, which stood at £12,490,000 in May, 1890, £12,700,000 in May, 1889, are £11,140,000 in May, 1891.

Perhaps Mr. Goschen will now inform us who is to blame, and whether he holds that the other banks are still bound to increase their cash reserves in order that the Bank may employ them at 4 and 5 per cent.

Yours truly,

W.

The publication of this letter led to the following exchange of correspondence between Mr. William Lidderdale, the Governor of the Bank of England, and Mr. B. W. Currie.

Bank of England.

May 8th.

DEAR MR. CURRIE,

In case you should happen to be acquainted with 'W' whose letter appears in today's 'Times' City Article, will you kindly inform him that today's Bankers' balances aggregate £12,461,000, or only £700,000 above the low average of 1889 and '90.

Will you also kindly ask him to explain :

- 1st. How the Bankers' balances are to be increased without drawing money from their tills or from the circulation, unless the Bank of England lends to their customers, and
- 2nd. Whether he desires the Bank to refuse applications from non-customers.

GLYN'S: 1753-1953

As regards the circulation, it does not admit of being lowered by any such sum as 4 millions, and as regards the advances, I should like to see the Bankers' faces if we took W's advice.

Yours faithfully,

WM. LIDDERDALE.

67, Lombard Street,
May 8th.

DEAR MR. LIDDERDALE,

I imagine the contention of 'W' to be that the remedy which Mr. Goschen presented in such a professional style, for strengthening the reserve of notes, has turned out to be fallacious, for as a matter of fact the reserve is not strengthened, but diminished.

If, as you state, the Bankers' balances have only increased by £700,000, the argument of 'W' is weakened, but unless my memory is at fault, you told me some weeks ago that you were satisfied with the increase which had taken place in consequence of Mr. Goschen's remarks.

That the Bank should desire to increase the balances of its customers is natural and laudable — but how the public, other than the holders of Bank Stock, are to be benefitted, I (quite apart from 'W') fail to see. In a word, the Bank has made advances which, had Mr. Goschen not intervened, would have been made by the Bankers.

Yours etc.

B. W. CURRIE.

Bank of England.
May 8th.

DEAR MR. CURRIE,

Somebody who once was sick wanted to be a Monk, but changed his mind on recovery. Similarly, the Bankers

BERTRAM WODEHOUSE CURRIE

increased their balances after the Leeds speech to 15 millions, but this soon became too much for their virtue.

It would now be a blunder, for the sake of reestablishing their position, to call in money rapidly, for the Bank is already carrying an extra load in Baring's account, and the Market is sensitive and easily alarmed. You must wait to call in till rates are falling away again. For sometime to come you cannot help supporting the Bank — we have arranged that.

Please try to believe that I care more for the safety of the general position than even for an increase of profits.

Yours faithfully,

WM. LIDDERDALE.

CHAPTER ELEVEN

TWENTIETH-CENTURY EPILOGUE

THE death of Bertram Currie, which took place at the end of 1896, marks the close of a long tradition in No. 67 Lombard Street and indeed in the wider world of private banking. He was the last of that old generation which, eschewing all extravagance and display, found an ample outlet for both energy and ambition in guiding that section of the business life of the City with which its members had been entrusted. A jingle, often on his lips, ran as follows :

A City banker born and bred,
Sufficient for my fame,
If those who knew me best have said
I tarnished not the name.

The chief personality in the Bank with him was Sir Charles Mills's eldest son, Charles Henry Mills, afterwards the 1st Lord Hillingdon. He was a partner from 1852, and senior partner after the death of the 1st Lord Wolverton in 1873. He was educated at Eton, where his handsome bearing in *The Viking* was long remembered, and at Christ Church. In politics he was strongly Conservative, and he sat for West Kent for twenty years, devoting much of his time to agricultural topics. The sharp division between the Conservative and Liberal point of view at that time, which was

accentuated by the emergence of Gladstone's Irish policy in the 1880's, made for difficulty between Lord Hillingdon and Bertram Currie. This was inevitable, and must have been a common experience in business houses in which the partners were politically divided. By nature Lord Hillingdon was extremely generous, and in consequence was greatly liked and respected by the staff at Glyn's, whom he regularly invited to cricket festivals at his home at Wildernessee. At the end of his life, when he was known to be suffering with heart trouble, one of the clerks always walked a few paces behind him to Cannon Street station in case he should be taken ill on the way. *The Times* has perhaps best summed him up when it wrote that he was not a man of striking brilliancy but that 'his long experience and sound common sense gave him a good deal of influence in the banking world, and his unfailing courtesy left a pleasant impression on all who came in contact with him'.

Lord and Lady Hillingdon lived in great splendour both at Camelford House in Park Lane and at Wildernessee, their country house near Sevenoaks. If Lady Hillingdon was not (as is often suggested) the Duchess in *The Edwardians*, the gay and spirited style of living at Wildernessee had something in common with the life so brilliantly portrayed in that masterly novel. While Lord and Lady Hillingdon's life of aristocratic gaiety was by no means singular — indeed the whole turn of fashionable life from the 1880's onwards was towards extravagance and luxury — the break with the former, simpler traditions of the City families is noticeable and has to be emphasised. When this style of living became general — as it did in the 1890's and 1900's — it carried

with it much criticism of the rich and of that golden square mile in which fortunes seemed to be so easily acquired.

The death of Lord Hillingdon, in 1898, left the partnership to very young men. Mr. Pascoe Glyn, technically the senior partner, was crotchety and seldom came to the Bank. His nephew, Lord Wolverton, and his son, Mr. Maurice Glyn, represented their family, while the Mills interest was represented by the 2nd Lord Hillingdon and Mr. Algernon Mills, who was active in the Bank for the next twenty years. Mr. Laurence Currie carried on his father's tradition in the Money Market. But they were all still in their forties at the turn of the century, and some of them had considerable preoccupations and interests outside Lombard Street.

They were reinforced by a very able Secretary — A. S. Harvey. He had originally been in the Treasury, serving there in the great days of Lord Lingen and Lord Welby when the virtues of free trade and public economy were held before the juniors as cardinal for the conduct of Government business. He came to Glyn's as an exponent of orthodox finance and naturally worked admirably in double harness with Mr. Bertram Currie. He was painstaking and methodical, and such records of the Bank as have survived are largely due to his care and forethought. His recreation of a summer evening was the old-fashioned game of quoits.

During the decade beginning in 1885 the Bank was virtually controlled by Bertram Currie and Harvey. Both men had close contacts with the Treasury, particularly in the case of Currie when Gladstone was

in Downing Street. Harvey, himself an old Treasury man, was on friendly terms with Sir Edward Hamilton who had been Gladstone's private secretary and was an influential personality in the Treasury thereafter. Harvey was unofficially consulted by him on many occasions — especially after the Baring Crisis when he was asked to prepare a report for the Treasury on Goschen's proposals for increasing the Bank Reserves generally and the creation of a separate gold reserve by the issue of £1 notes. His personal views had already been expressed during a debate at the Institute of Bankers some two years earlier when he stated, 'We ought not to have £1 notes in this country unless stern steps be taken for the maintenance of a much stronger bullion reserve'.

As a supplement to B. W. Currie's correspondence on this subject included in the previous chapter, part of Harvey's report deserves to be quoted as indicating the prevailing opinion at Glyn's at that time, particularly as to the efficacy of Bank of England control over the Money Market.

Harvey wrote :

The real question raised by these proposals is not whether a substantial addition to the gold held by the Bank is desirable or not, but whether the necessity for an addition is so imperative as to call for the transfer of twentyfive millions from the pockets of the public to the coffers of the Bank by the issue of pound notes.

Previously to the Baring Crisis, the Bank had relied, for the replenishing of its Reserve, upon the raising of the rate of interest. It then adopted exceptional means, because the emergency was exceptional. The course pursued has

met with the approval, and even evoked the gratitude, of all competent critics. But there is no reason to suppose that, had the Bank relied exclusively upon its accustomed weapon, the raising of the rate, it would have failed to conserve its store of the precious metals. In short, the Baring catastrophe was an event which would have tried, and tried severely, any Banking system however perfect, and no legitimate argument can be drawn from it against the system upon which the Bank has acted since the passing of the Act of 1844.

After dealing with the general financial history of the previous fifteen years he goes on :

This record is satisfactory and shows that the principle of constituting the Bank of England custodian of the ultimate cash reserve has been amply justified by experience.

And it must be borne in mind that these results have been achieved notwithstanding that for some years past the power of the Bank in the Money Market has been impaired. The Bank protects its gold by raising its rate of interest. But raising the Bank rate is inoperative unless the market rate follows suit. Obviously a merchant wanting gold cares little about the Bank rate if he can discount his bills at a lower market rate, and with the proceeds take notes which he can exchange for gold. When the Bank rate is raised, not in consequence of an increased demand for loanable capital, but simply to check a drain of bullion, the market rate is frequently slow to follow, and the rise is ineffective until the Bank has resorted to the expedient of taking the surplus capital off the market by selling or borrowing on Stock. Indeed the tardiness with which the market rate responds to the Bank rate when the latter has been raised simply to protect the Reserve has become so palpable a feature in the Money Market as to suggest a

doubt whether Bankers are wise in continuing any longer to make their allowance-rate for deposits depend upon a Bank rate which is often inefficacious and therefore illusory. The fact is the existing arrangement as to the Bank rate dates from a time when the Bank possessed a preponderating power in the Market which has now been seriously diminished. When Bagehot wrote in 1873 his well-known paragraph about the 'single large holder' of money, the deposits stood thus :

Bank of England	29½ millions
Five large banks	77½ „

Now they stand :

Bank of England	33½ millions
Five large banks	124 „

And these figures take no cognisance of the large sums of capital which, owing to the constant amalgamation of country banks with London banks, have made more available than formerly for use in the London Market.

Yet, notwithstanding this relative attenuation of the resources of the Bank of England, its management of the Reserve has been eminently successful. And during the past year the Chancellor and the Governor have taken steps to strengthen its position and enhance its influence. The former has induced the banks to keep larger balances at the Bank of England, thereby increasing the deposit of that institution ; the latter, by calling into conference the responsible directors of the large banks, has initiated a plan which compels them to assist the Central Institution in times of emergency. The 'one large holder' has summoned the other 'large holders' to share with him the responsibility of adequately defending the Reserve. This responsibility, I believe, they will not attempt to evade.

I venture to urge that the Chancellor should rest content with what he has already accomplished. Let us see whether the existing system, supported by the agencies already adopted, will not prove adequate to the maintenance of the existing reserve, or even to its gradual increase, if that be deemed advisable. Above all, leave the £25,000,000 in the pockets of the people. They are safe there, safer than in the Issue Department of the Bank, where they are necessarily exposed to the insatiable greed of the war-chests of the continent. In times of national peril they could always be got at, but only national peril should call for them.

After Harvey's death in 1905 the secretaryship was divided between his son, B. S. Harvey, and Arthur Maxwell, who later became a partner.

Though there was perhaps no outstanding personality of the calibre of Bertram Currie or Sir Richard Carr Glyn or Lord Wolverton, the team in charge of the Bank was collectively strong. They were faced with the perpetual but not diminishing problem of the steady growth of the large combines in business and banking. The effect of the Baring Crisis on private banks had been severe. In the single year following that disaster there were twenty-four amalgamations of private banks — the largest number ever recorded in one year. Certainly from then onwards there was this haunting fear in the minds of every private banker — can the system survive? Was it possible for anything except the huge joint-stock enterprises to survive in a world which was advancing at a hand gallop towards amalgamation and combination in every aspect of its commercial life?

This development can perhaps be most clearly explained by some figures quoted by Sir John Clapham

in the third volume of his *Economic History of Great Britain*. In the mid-1880's there were in England and Wales 120 distinct joint-stock banks and about 250 private banks. These 370 banks had rather more than 2500 offices. By 1914 this figure had sprung up to 7000 and, virtually speaking, they were all joint-stock concerns. The 250 private banks of the 1880's had dwindled to a dozen. There also remained some eight or nine firms, listed as joint-stock banks, without any branches. These included Baring Bros., Coutts and Co., and Glyn's — 'Old-style private banks turned into unlimited companies' — and ranged down to a few weak or questionable concerns of no importance.

Although for reasons which have been explained in the Preface it is not intended in this book to deal in detail with the events of the twentieth century, the changes in the system of banking — particularly as they affected Glyn's — deserve to be recorded. For there can be no doubt that among the partners the topic of the Bank's future was a subject for anxious discussion during the early years of the twentieth century. Before them were three alternatives.

The first was the possibility of amalgamation with other private banks in London — along the lines of the previous amalgamation with Currie's. The obvious choice was perhaps Coutts's bank, whose fine business and eminent connexions would have made a desirable addition and complement to Glyn's customers. This matter had first been broached at the end of the 1870's when Sir William Farrer, a partner in the leading firm of lawyers, introduced the Baroness Coutts to Bertram Currie. This remarkable lady, whose philanthropic

exertions were outstanding and whose whole life, passed in the glare of publicity, forms an interesting contrast with the retiring, shadowy inmates of Lombard Street, was a business woman of astonishing capacity. She was also highly entertaining, and she began her correspondence with Currie by saying, 'I really must consult my two remaining friends'. She agreed to the principle of amalgamation with the phrase 'The Guelphs and the Ghibellines are to unite on equal honours'. But the negotiations proved abortive. They were revived again in 1901, but were once more turned down.

The second alternative was that Glyn's should follow the example of a number of the joint-stock banks by forming a block (which would have been at once smaller and more select than the joint-stock combines) with some of their country-bank customers. Certainly such an amalgamation with Glyn's at the head of, say, Beckett's of Leeds, Crompton's of Derby, Hammond's of Canterbury, Grant's of Portsmouth and other established Houses would have been a formidable reinforcement to the Big Five. Both Mr. Bertram Currie and his son Laurence were always opposed to this on the grounds that it could only be achieved by becoming 'joint-stock'. It was proposed to Mr. Laurence Currie in 1900 and he answered, 'This we do not wish, as we think that Private Banks are still not quite played out'. In this connexion his partner Algernon Mills used a striking phrase, which applied to the absorption of country banks no less than the amalgamation with other private banks: 'I believe that we shall do best by preserving a characteristic which we

alone of all the *large and serious* banks possess, namely of having only one door'.

This remark, in which there was great force and wisdom, shows that Glyn's had decided to adopt the third alternative open to them — to retain their individuality and combat the growth of the joint-stock system by consolidating their existing business and expanding their activities by the provision of more and more of the modern facilities required of the banking world.

One example of this expansion can be seen in the growth of the Bank's business as régistrars. Since the start of the connexion with Canada in the 1830's they had handled the issue of loans, not only for that Province and its railways, but also for some of the municipalities. These were followed later by operations on behalf of the Colony of South Australia, but it was in the 1890's that this side of the business was developed to include Corporation Loans and many British mercantile issues.

They were also quick to take advantage of the invention of the adding machine, being second only to Lloyds in bringing it into use. The first was installed in 1896, and within four years the number had grown to sixteen and the Treasury wrote asking for information as to the machine's capabilities as they contemplated using them in some of the Government departments. In his report Mr. Harvey, the Secretary, wrote :

The whole of one side of our Country Cheque clearing is now done by the machines. The cheques — upwards of 20,000 in number — which have to be listed and cast daily between three o'clock and post time constitute a fair test of the machine, and we are quite satisfied with the result.

Even if it does not work more rapidly than our best men, it undoubtedly saves brain tissue and worry.

There is no doubt that the partners' decision to retain their individual position was governed by the feeling that they would have found it impossible to exercise the same personal control in the event of any big amalgamation scheme. They were unquestionably right in thinking that many commercial houses — and not only the archaic ones — preferred the atmosphere of Glyn's to the clatter and bustle (not always evidence of competence in business) which distinguished the larger concerns. Nor had they any anxiety on the score of their profit-and-loss figures. If those were not increasing so fast as some of their rivals they could point to very satisfactory figures, and to steadily mounting staff. And there can be little doubt that but for the imponderable disaster of 1914 they had taken a proper decision.

That war struck at Glyn's with particular force on the personal side as well as on the business side.

For throughout the years from 1900 to 1914 the partnership stood badly in need of new blood. The 2nd Lord Hillingdon, owing to a collapse of health, had had to retire in 1907 and his eldest son, Mr. Charles Mills, had joined the Bank in 1910, as a young man of 23. In him seemed to lie the promise of those qualities which, in their several generations, had marked the leaders of the Bank and had sustained its influence and sway throughout the eighteenth and nineteenth centuries. He was killed on the Western Front in the second year of the war, and it seems appropriate to give a record of his short life both on his own account and as a repre-

sentative of his comrades in the Bank who were to sacrifice their lives in the two wars.

He had been born in the year of Queen Victoria's first jubilee and had the traditional family education at Eton and Oxford, where he was at Magdalen. In the same year that he joined the Bank he was chosen to fight the Uxbridge Division as a Conservative and he won both the elections of that year with resounding majorities. Active in the Bank and in the House of Commons, he told his constituents that his working life was a fourteen-hour day. He quickly made his mark in the House of Commons, and was complimented by Lloyd George for his attack on the Budget proposals of that statesman. He was a keen sportsman — a hunting man and a golf blue for Oxford. Like his grandfather he was greatly liked in Glyn's, and won renown with the clerks by chasing a thief out of the Bank, and bringing him down in Lombard Street.

Yet what perhaps distinguished him — as it did many of his contemporaries killed in the 1914 war — was an understanding sympathy for those outside his class. Although he was a strong Conservative, he broke completely with the nineteenth-century and Edwardian conception that the wealthy had only to enjoy their privileges and that they had no concern with those who, through birth or chance, were outside the circle of those privileges. Like several of his Oxford contemporaries, he had far more realisation of the social problems of the age than the majority of his Conservative colleagues and supporters. Though gay and amusing by nature, he had the gift through some swift, elusive mechanism of switching from frivolity to seriousness. In the

summer of 1915 he was given a send-off to France by his supporters and party opponents on the cricket field at Uxbridge. A few sentences from his speech on this occasion show something of the charm of his character, of which party friends and foes alike were conscious. He neatly avoided the twin dangers of excessive sentiment or of brag.

We are all going out of this country, every man young enough and strong enough to do it. There is nothing in that ; but I hope you will be good enough to think of me while I am away. I hope that you will pray that, above all things, I shall do my duty, very humbly it may be, and bring no disgrace upon you and upon my friends down here.

His death in action a few weeks later was a grave misfortune for the partnership. Although he was by the chance of birth pre-eminent among those members of the staff killed in the two wars, he seems to typify the broken talents and modesty and cheerfulness which were characteristic of them all.

During the war the partnership was principally carried on by the 4th Lord Wolverton, Mr. Maurice Glyn, whose health was not robust, and Mr. Algernon Mills and Mr. Laurence Currie. So far as these partners had any heirs to succeed them, they were all extremely young men. But as soon as the war was over a new force came to the front in the Parlour, who was to guide the Bank with unfaltering skill and devotion until his death in 1943. This was General Sir Herbert Lawrence who had originally joined the partnership in 1907 when his brother-in-law the 2nd Lord Hillingdon had broken down in health. A distinguished soldier,



*General Sir Herbert Lawrence
From a drawing at 67, Lombard Street*

he left Lombard Street on the outbreak of war in 1914, and after holding commands in the Middle East, became first Chief of Intelligence and then Chief of the Staff to the British Armies in France. As the blunt but wise General Robertson said to Haig when he appointed Lawrence, 'You could not have made a better choice'. Those words could equally have been addressed to his partners in the City, and would be warmly endorsed by all with knowledge of what he accomplished in Glyn's. As was well said in the *Bankers' Magazine* at the time of his death, 'No man has been more highly esteemed in the City'.

No doubt Sir Richard Carr Glyn, and the earlier generation of partners, would have been startled to think that a soldier was one day to succeed them — that a general was to preside in the quiet reaches of Lombard Street. But the times were unprecedented: they demanded and justified an unprecedented appointment. With Sir Arthur Maxwell, who had first joined the Bank as secretary, and like Lawrence had served with distinction in the Great War and became General Manager and then Managing Partner, he guided the Bank through the critical years of reconstruction during the 1920's. He maintained the confidence of the older generation of family partners, and encouraged the junior members of the families to take their appropriate places in the Parlour. In his time the partnership was broadened by the introduction of members outside the three families. He remained chairman until his death in 1943.

The fusion of banks went on at a brisk rate after the 1914 war, and it is obvious that much of the political

odium which began to attach itself to banks in the 1920's and 1930's was due to the colossal structure created for themselves by the Big Five. Indeed, as Sir John Clapham has pointed out, the only logical conclusion to this concentration of power seemed, to some minds, to lie in nationalisation.

In this unfavourable climate Glyn's took two important steps towards the strengthening of their position. In 1923 they amalgamated with Holt's. This bank had been established in the nineteenth century principally as Army Agents. Its business had naturally greatly expanded in the First World War, and its prestige had been greatly enhanced by the ability of Sir Vesey Holt who had been senior partner since 1881 when he was a young man of 27. Its offices in Whitehall gave Glyn's a valuable footing in the West End for their private customers. The style of the House now assumed the somewhat cumbersome style of Glyn, Mills, Currie, Holt and Co.

Twelve months later negotiations were started for amalgamation with Child's — the historic bank in Fleet Street which was ancient when Dickens used it, under a disguised name, for the background to *A Tale of Two Cities* and whose history stretched back into the dim mists of City finance before the Bank of England was conceived.¹ For more than a century Child's had belonged to the Earls of Jersey, and it was the death of the 8th Lord Jersey as a comparatively young man which precipitated the sale of the Bank. Even before his death Lord Jersey had been considering the sale of the

¹ For the history of Child's Bank see *The Marygold*, by R. G. Hilton Price.

Bank to one of the Big Five, but this was frustrated by the clerks in Child's who believed they had certain ancient rights which they feared might be obliterated or inadequately compensated under the new arrangement. On joining, a clerk was told that he might expect in time to become a working partner in the Bank — rather as Mitton or Parry might have been told in the early days of Glyn's, or Hallifax when he was working at Martin's. In fact the clerks in Child's generally did join the partnership at the end of their time, and the inevitable result of this was that the type of clerk attracted to Child's was of a somewhat different standing from those in other banks, and the nineteenth-century partners in Child's fostered this distinction. They felt that their aristocratic customers — and by the nineteenth century no private bank had more powerful private customers than had Child's — would expect to find behind the issuing-desk clerks who, as Lord Chesterfield would have said, were pre-eminent in The Graces.

When Lord Jersey died at the end of 1923 the project was perforce revived, but the executors were informed that the Bank of England and the Treasury would not permit a sale to one of the Big Five as those banks were sufficiently large and powerful already. This left few possible buyers who would be acceptable to the authorities, and Glyn's, the largest private bank and the sole survivor of the private banks in the Clearing House, seemed the most desirable association.

The clerks realised that Child's must lose its independence and, happy to feel that the alliance was to be with Glyn's, placed themselves unreservedly in the hands of the executors. So the negotiations with the partners

and prospective partners in Child's went smoothly, and the two banks were amalgamated on March 5th, 1924. Child & Co. still retained its individual identity as Child's Branch, while the style of the Bank was shortened for convenience to Glyn, Mills & Co.

Thus the Bank continued until 1939 — the last private bank in Lombard Street and the most powerful survivor of a great tradition in the British Isles. In 1932 a further break with tradition was made by the opening of a branch in Oxford — at Carfax — the first adjunct to Glyn, Mills outside London.¹ In 1933 the Lombard Street premises were completely rebuilt. But as the 1930's progressed, the threat of a second war darkened the future for private banking, which (in contrast with the joint-stock banks) was at the mercy of individual casualties and the huge death duties that would follow. This gave the advocates for adopting the system of the joint-stock banks one further and more personal argument. The partners of the Bank were mostly young, and if some of them had been killed in the war the complications of death duties on their family holdings in the Bank would have caused formidable difficulties. For this reason, and on account of the unpredictable character of those times, the partners in Glyn's agreed in the summer of 1939 to the sale of their capital to the Royal Bank of Scotland. With the famous north country bank of Williams Deacon's, Glyn's thus became allied with the historic Edinburgh banking house. Indeed those who recall the exertions made by Richard Glyn and Thomas Hallifax 180 years ago to finance industry in Scotland will appreciate that

¹ This was closed during the last war.

it was not historically inappropriate that there should have been a fusion of Scottish and Lombard Street interests — a linking of the Blue Anchor with the bank in Edinburgh founded when the first of the Hanoverian sovereigns was still on the throne.

Perhaps the change would not have been applauded from the shades by Sir Richard Glyn and his partners of two centuries ago. Yet if the amalgamation of 1939 was unforeseeable in 1753 so were the circumstances which necessitated it. To those sturdy figures of the Augustan Age much would seem strange and uncomfortable in twentieth-century Lombard Street. For them, with their three or four clerks and modest turnover, a business with some 750 clerks and a balance-sheet of £80 million would seem not only beyond their dreams but outside their comprehension.

Sir Richard and his partners regarded themselves as the custodians of their customers' money. Security was what they offered, and they could have never foreseen a time when the services offered by a bank were multiplied, and when a bank could become the customer's guide, philosopher and friend. While they and their successors acted as trustees or executors for certain favoured clients it was unthinkable to them that a bank as an institution should undertake those functions.

Even as late as 1904 this case was stated quite clearly in a letter to a customer.

Our position is that if you, *as our customers*, are desirous of asking us to allow Consols to be put in our names and give us definite instructions as to dividends, etc., we are willing to accede to your wishes. But we cannot consent to enter into the merits of the transaction, or discuss the

rights or policies of any of the parties thereto. We act as your banking agents only and must not allow ourselves to become trustees or advisers.

If you determine to ask us to take the Stock under these conditions, we will do so, and the Stock should be transferred into the names indicated on the enclosed slip.

Yet while this and the kindred services offered by a modern bank would have seemed a strange development to those original partners, accustomed to the simpler relationship of customer and banker in 1753, they would have approved and understood one characteristic of their foundation (which was as conspicuous in the twentieth century as it had been in the eighteenth or nineteenth), namely its repute and status in the City of London. Though the great Lord Wolverton might have regretted the fact that Glyn's have been out-distanced in actual size by their rivals, he would be happy to find the family principles and integrity still ruling in the Parlour, and would have been the first to appreciate the compliment to Glyn's implicit in the appointment of one of their partners to the Court of the Bank of England in 1949, the first time a director or partner of a Clearing Bank had become a director.

For if this account of Glyn's could be called 'A Study of Wealth' might it not with greater justice be called 'A Study of Integrity'? This would seem to be the constant characteristic running through each generation of the Bank's history. The houses, the pastimes, the collections, the fads and follies of each epoch of partners have vanished. Indeed the Psalmist has long since warned mankind against supposing that the possessions of men can endure from one generation to

TWENTIETH-CENTURY EPILOGUE

another. Yet the history of the Bank does suggest that a tradition of probity and good faith — ‘Firm to My Trust’ as the motto of the Glyn family expresses it — not only can be handed on but has in fact been strengthened by each of the partners in their several generations.

APPENDICES

APPENDIX I

STYLE OF BANK FROM 1753

- 1753 Vere, Glyn & Hallifax
- 1766 Glyn & Hallifax
- 1773 Hallifax, Mills, Glyn & Mitton
- 1776 Hallifax, Mills, Glyn, Mills & Mitton
- 1782 Hallifax, Glyn, Mills & Mitton
- 1789 Glyn, Mills & Mitton
- 1796 Glyn, Mills, Hallifax & Co.
- 1808 Glyn, Mills, Hallifax, Glyn & Co.
- 1813 Glyn, Mills, Hallifax, Glyn, Mills & Co.
- 1819 Glyn, Mills, Hallifax, Glyn, Mills & Glyn
- 1822 Glyn, Mills, Hallifax, Glyn & Co.
- 1826 Glyn, Hallifax, Mills & Co.
- 1851 Glyn, Mills & Co.
- 1864 Glyn, Mills, Currie & Co.
- 1923 Glyn, Mills, Currie, Holt & Co.
- 1924 Glyn, Mills & Co.

APPENDIX II

STATIONERY BILL FOR 1756

Messrs. Vere, Glyn & Hallifax To Baker & Fourdrinier.

1755.

Dec.	26	To	3 4to. Fools Caps Covd. Marble	1.	6.
			1 8vo. Fools Cap Ditto		2.
	29		1 Rm. Super fine Kings Arms	12.	0.

1756.

Jan.	3		100 quills & 1 quire Blotting	2.	6.
	5		3 Sheets Folio post Ruld.		3.
	8		1 Pint Ink		6.
	16		6 Money Bags	1.	6.
	19		42 quire Super fine Small post	1.	9.
			Printing Ditto in Checks	2.	2.
	21		100 Quills	2.	0.
Feb.	2		1 Pint Ink		6.
	11		100 Quills	2.	0.
	17		100 Large Pins	4.	0.
Mar.	1		100 Quills	2.	0.
	6		1 Pint Ink & 1 Pencil		10.
	9		1 Ball Sealing Thread		6.
	11		100 Quills	2.	0.
	12		1 Quire Blotting		6.
			6 Large Money Bags	1.	6.
	23		1 Pint Ink		6.
	24		1 4to. Demy 1 qr. $\frac{1}{2}$ Ruld 16 Lines		
			Bound Vellum & Marb.	5.	6.
			6 8vo. Fools Caps 6 Sheets Each		
			Vellum & Tuck Flap	4.	0.
Apr.	2		1 Pint Ink		6.

APPENDIX II

Apr.	12	100 Quills	2.	0.
	13	1 quart Sand		3.
	14	1 Rm. Fine Kings Arms	12.	0.
	23	1 Pint Ink		6.
	30	1 Common Bond	1.	8.
May	4	4 Rms. & 4 qrs. Super fine Small post all Infides	2.	19. 0.
		Printing Ditto in Checks	4.	4. 0.
	14	1 Long Demy 8 quire Super fine Ruld Bound Forrell Headbd. Marb. & Covd. Buckr.	1.	1. 0.
	15	1 Directory	1.	0.
	17	1 Broad Demy 5 quire Super fine Ruld 16 Lines Bound forrell head- bound Marbled & Covd. with Buckram	15.	0.
	20	1 quire Blotting		6.
		6 Money Bags	1.	6.
	21	100 Quills	2.	0.
Jun.	3	1 8vo. Royall 6 Sheets Ruld Bound Vellum & Tuck Flap	3.	2.
		10 quire $\frac{1}{2}$ Super fine Small post	7.	10.
		Printing 1500 Notes	15.	0.
	5	1 Stick Super fine Wax		6.
	8	100 Large Pins	4.	0.
		100 Quills	2.	0.
	9	1 Pint Ink		6.
	14	2 Cash Books 10 quires Each Super fine Medium Ruld 12 Lines Bound in Vellum headbound Marbled & Covd. Buckr.	4.	16. 0.
		1 Leger 12 quire Super fine Dutch Imperiall Ruld 26 Lines Bound in Vellum Headbound Marbled Russia Bands & Covd. with Leather	6.	8. 0.

GLYN'S: 1753-1953

Jun.	17	1 8tvo. fools Cap Covd. Leather	6.
	19	1 Large Letter Case	4. 0.
		$\frac{1}{2}$ Dozn. Large Money Bags	1. 8.
	22	Adding paper to the Cash Book	6.
		6 Large Money Bags	1. 6.
	25	100 Quills	2. 0.
	28	1 Pint Ink	6.
	30	1 Long Demy 9 quires Super fine Ruld 16 Lines Bound Vellum head- bound & Marbled	1. 6. 0.
Jul.	3	1 Fools Cap Alphabet	1. 6.
	6	1 Pint Ink	6.
	13	100 Large Pins	4. 0.
	17	1 Qr. Blotting	6.
	21	1 Rm. Super fine Kings Arm	12. 0.
	23	2 Dozn. 8tvo. Demys 6 Sheets Each Ruld Bound Vellum Tuck Flap	1. 12. 0.
	24	6 Large Money Bags	1. 6.
	26	1 Pint Ink	6.
	29	100 Large Quills	2. 0.
Aug.	7	1 Stick Super fine Wax	6.
	17	100 Quills	2. 0.
Sep.	2	1 Pint Ink	6.
	4	1 quire Blotting 6 Money Bags	1. 6.
	6	1 4to. Demy 1 qr. $\frac{1}{2}$ Super fine Ruld 6 Lines Bound in Vellum & Marbled	5. 6.
	7	100 Quills	2. 0.
	18	1 Pint Ink	6.
	23	100 Quills	2. 0.
Oct.	7	1 8tvo. Demy in Marb	4.
	16	1 Pint Ink	6.
	25	1 quire Blotting paper	6.
	26	100 Large Quills	2. 0.
	27	1 Broad Demy 5 qurs. Super fine	

APPENDIX II

		Ruld 6 Lines Bound in forrell head- bound Marbled & Covd. with Buckram	15.	0.
Oct.	29	6 Money Bags	1.	6.
		1 Rm. Super fine Kings Arms	12.	0.
Nov.	2	1 Pint Ink		6.
	3	6 8tvo. Fools Caps In Vell	4.	0.
	6	100 Large Pins	4.	0.
	12	1 quart Sand		3.
	13	6 Money Bags	1.	6.
	17	1 Pint Ink		6.
	19	100 Quills	2.	0.
	20	3 Rms. Super fine Small post All Infides	2.	4. 3.
		Printing Ditto in Checks	3.	3. 0.
Dec.	1	100 Quills	2.	0.
	7	1 Pint Ink		6.
	11	1 quire Blotting		6.
	23	1 Long Demy 9 quires Super fine Ruld 16 Lines Bound in Vellum headbound & Marb.	1.	6. 0.
		1 Broad Demy 6 quires Super fine Ruld 16 Lines Bound In Forrell Headbound Marb. & Covd. with Buckram	17.	0.
		1 Ditto 5 quires Super fine Ruld 20 Lines Bound Ditto	15.	0.
		3 4to. Fools Caps Covd. Marble	1.	6.
		1 Interest Book	2.	0.
	24	1 Pint Ink		6.
			<hr/> £44. 16. 8. <hr/>	

Recd. Jany. 28. 1757 in full Contents of this Bill
for Pardr. & Self,

Wm. Baker

APPENDIX III

LIST OF BRITISH BANKS FOR WHOM GLYN & CO. WERE AGENTS

Bank	Est.	Account with Glyn's		Disposal of Account
		From	To	
Aberdeen Banking Co.	1767	1825 from Pole & Co.	1853	Amalgamated with Union Bank of Scotland, <i>q.v.</i>
Alnwick & County Bank	1857	1837	1875	Absorbed by North Eastern Banking Co., <i>q.v.</i>
Arbroath Banking Co.	1825	1825	1844	Absorbed by Commercial Bank of Scotland, <i>q.v.</i>
Ashron, Stalybridge, Hyde & Glossop Bank	1836	1836	1900	Amalgamated with Parr's Bank Ltd.
Bacon, Cobbold & Co., Ipswich	1786	1837 from Esdailes	1905	Amalgamated with Capital & Counties Bank
Bank of Birmingham	1832	1832	1837	Absorbed by Birmingham Banking Co., <i>q.v.</i>
Bank of Liverpool	1831	1831	1918	Amalgamated with Martin's Bank Ltd.
Bank of Manchester	1829	1829	1842	Failed
Bank of Westmoreland	1833	1833	1893	Absorbed by London & Midland Bank Ltd.
Bank of Whitehaven	1837	1866 from Price & Co.	1916	Amalgamated with Manchester & Liverpool District Banking Co.
Barnett & Co., Liverpool	1839	1866 from European Bank Ltd.	?	National Provincial Bank Ltd.
Bassett & Co., Newport, I. of W.	c. 1790	1812 from Kensingtons	1841	Became I. of W. Joint Stock Bank
Bastard & Co., Blandford	c. 1787	1837 from Esdailes	1848	Became Oak & Snow, <i>q.v.</i>

Batson, Berry & Co., Tweed Bank	1821	1821	1841	Failed
Batson, Wakefield & Scott (Northumberland Bank)	c. 1800	1819 from Pole & Co.	1821	Failed
John Baxter & Co., Darlington	1817	1817	1826	Failed
Beckett & Co., Leeds	1774	pre-1796	1921	Amalgamated with L. C. West & Parrs.
Bilston District Banking Co.	1836	1836	1874	Became County of Stafford Bank, <i>q.v.</i>
Birch Yates & Co., Stafford	1807	1824 from Esdailes	1830	Failed
Bird, Lant & Co., Coventry	c. 1798	1798	1807	Became Lant & Bunney, <i>q.v.</i>
Birmingham Banking Co.	1829	1837 from Esdailes	1866	Failed and reorganised. A/c went to London & Westminster Bank
Birmingham & Midland Bank Ltd., Coventry	1889	1889	1891	Amalgamated with London & Midland Bank Ltd.
Boroughbridge Bank	1804	1820 from Sansom	1833	Amalgamated with York City & County Bank
Bower & Co.	c. 1790	1864 with Curries & Co.	1875	Amalgamated with Beckett & Co., Leeds, <i>q.v.</i>
Bowes, Hodgson & Co., Workington	1800	1800	1806	A/c to Williams Deacon's & Co.
Bradford Commercial Banking Co.	1833	1833	1904	Absorbed by Bradford District Bank Ltd.
Bristol Tolzey Bank	1808	1808	1819	Failed. A/c with Barnard's. Resumed but failed 1826
Britains & Co., Ripon	1801	1816 from Bruce & Co.	1823	Became Farrer, Williamson & Co.
Bromsgrove Bank	1801	1848 from Spooner & Co.	1851	Failed
Burton, Lloyd & Co., Shrewsbury	1808	1828 from Remington & Co.	1884	Amalgamated as Eyton, Burton & Co., <i>q.v.</i>

LIST OF BRITISH BANKS—(continued)

Bank	Est.	Account with Glyn's		Disposal of Account
		From	To	
Bury Banking Co.	1836	1836	1888	Absorbed by Lancashire & Yorkshire Bank Ltd., <i>q.v.</i>
Carlisle City & District Bank	1837	1837	1896	Amalgamated with London & Midland Bank Ltd.
Carrick & Lee, Brampton	1830	1855	1873	Amalgamated with Carlisle & City District Bank, <i>q.v.</i>
Central Bank of Scotland, Perth	1834	1834	1868	Amalgamated with Bank of Scotland
Chertsey Bank	1807	1866	1877	Absorbed by T. Ashby & Co., Staines
		from Agra & Masterman		
Commercial Bank of Scotland, Stirling	1810	1844	1851	To Jones, Loyd & Co.
County of Gloucester Banking Co., Dursley & Tetbury	1836	1837	1893	A/c to London & Westminster Bank
County of Stafford Bank Ltd.	1874	from Esdailes		
		1874	1899	Amalgamated with National Provincial Bank of England Ltd.
Coventry Union Banking Co.	1836	1837	1889	Amalgamated with Birmingham & Midland Bank Ltd., <i>q.v.</i>
		from Esdailes		
Crompton & Evans Union Bank Ltd.	1877	1877	1913	Amalgamated with Parr's Bank Ltd.
Crompton, Newton & Co., Derby	1685	1864	1877	Amalgamated as Crompton & Evans Union Bank, <i>q.v.</i>
Cyfarthfa & Hirwain Bank	1810?	1825	1830	Ceased
Day & Co., Rochester	1782	pre-1800	1864	Absorbed by Provincial Banking Corporation, <i>q.v.</i>
Day, Tonbridge	?	1820	1820	?
J. Dickinson, Alston	1847	1854	1890	Absorbed by Carlisle City & District Bank, <i>q.v.</i>
Dixons & Wardell, Chester	1813	1864	1878	Amalgamated with Parr's Banking Co., Ltd., <i>q.v.</i>
		from Jones, Loyd & Co.		

Dumbell's Banking Co., Ltd., I. of Man	1853	1858 from Williams & Co.	1900	Failed
Dundee Commercial Bank	1825	1825	1827	To Barclay & Co. (ceased 1838)
Dundee Union Bank	1809	1818 from Roberts	1844	Absorbed by Western Bank of Scotland, <i>q.v.</i>
Eliot, Pearce & Co.	1791	1850 from Williams & Co.	1897	Bankrupt
Elliott & Foster, Carlisle	1809	1809	1818	To Williams. (Failed 1822)
English & Irish Bank Ltd.	1863	1863	1864	Absorbed by European Bank
Eyton, Burton & Co., Shrews- bury	1884	1884	1899	Main Account with Roberts
Forster & Co., Carlisle	c. 1790	1825 from Pole & Co.	1836	Failed
Fryer Andrews & Co., Dorset	1789	1789	1840	Amalgamated with National Provincial Bank of England
Gillett & Co., Banbury	1784	1837 from Esdailes	1919	Absorbed by Barclays Bank Ltd.
Glasgow Bank Co.	1809	1822 from Ransom's	1837	Amalgamated as Glasgow & Ship Bank, <i>q.v.</i>
Glasgow & Ship Bank	1837	1837	1843	Became Union Bank of Scotland, <i>q.v.</i>
Goodall & Co., Coventry	1810	1825 from Pole & Co.	1839	Amalgamated with Coventry & Warwick Banking Co.
Graham & Co., Carlisle	1803	1803	1824	Failed
Grant, Gillman & Co., Ports- mouth	1787	1841 from Ladbroke's	1888	Became Grant & Maddison's Union Banking Co., Ltd., <i>q.v.</i>
Grant & Maddison's Union Banking Co., Ltd.	1888	1888	1903	Amalgamated with Lloyds Bank Ltd.
R. Gray & Co., Dublin	1829	1841 from Lond. & West.	1863	Absorbed by English & Irish Bank Ltd., <i>q.v.</i>

LIST OF BRITISH BANKS—(continued)

Bank	Est.	Account with Glyn's		Disposal of Account
		From	To	
Greenway & Co., Warwick	1791	pre-1800	1887	Liquidation Ceased Banking
Guest, Lewis & Co., Cardiff & Merthyr Tydfil	1818	1824	1830	
Gundry & Co., Bridport	1791	1837 from Esdailes	1847	Bankrupt
Halifax & Huddersfield Union Banking Co.	1836	1836	1910	Absorbed by Halifax Joint Stock Banking Co., Ltd.
Hammersley & Co., Pall Mall	1795	1795	1840	Absorbed by Courts & Co. Amalgamated with Capital & Counties Bank Ltd.
Hammond & Co., Canterbury	1788	1828 from Remington	1903	
Hampshire Banking Co.	1834	1856	1877	Amalgamated as Hampshire & Wilts. Banking Co. A/c closed. (Failed 1866) To Union Bank of London Absorbed by Lloyds Bank Ltd. 1911
Chas. Harvey & Son, Longton	1836	1836	1865	
Helston Banking Co.	1836	1836	1840	
Hill & Sons, Smithfield & Romford	1825	1883	1910	
S. Hope & Co., Liverpool	1823	1823	1836	Amalgamated as Liverpool Borough Bank, <i>q.v.</i> Failed
Horwood & Co., Newcastle u/Lyme	c. 1803	1803	1825	
Hull, Smith & Co.	1791	1826 from Masterman	1887	Became Woodbridge, Lacy & Co., <i>q.v.</i>
International Bank of London Ltd.	1880	1880	1905	Liquidation
Jersey Mercantile Union Bank	c. 1847	1847	1877	Liquidation Failed
Johnson & Co., Romford	1827	1827	1844	

J. B. Kennedy & Co., Dublin	1840	1848	1867	Ceased
Kinnear & Smith, Edinburgh	1831	1831	1834	Failed
J. E. Kneeshaw, Liverpool	1851	1869	1884	A/c to London & S. Western Bank Ltd.
Lacon, Youell & Co., Yarmouth	1791	1837 from Esdailes	1901	Amalgamated with Capital & Counties Bank Ltd.
Lacy, Hartland, Woodbridge & Co.	1809	pre-1881	1891	Absorbed by London & Midland Bank Ltd.
Lancashire & Yorkshire Bank Ltd., Bury	1872	1888	1895	A/c closed
Lant, Bunney & Co., Coventry	c. 1807	1807	1836	Absorbed by Coventry Union Banking Co., <i>q.v.</i>
Leicestershire & Warwickshire Banking Co.	1840	1840	1840	Failed
Liverpool Borough Bank	1836	1836	1857	Failed
London & Provincial Bank Ltd.	1864	1870	1914	? A/c to London & S. Western Bank Ltd.
Lovell, Goode & Co., Birmingham	1825	1829	1832	Became Bank of Birmingham, <i>q.v.</i>
Machell, Peases & Co., Beverley	1754	1812 from Boldero	1894	Amalgamated with York Union Banking Co., Ltd., <i>q.v.</i>
Mackie, Davidson & Gladstone, Carlisle	1860	1860	1882	Amalgamated with Carlisle & Cumberland Banking Co., Ltd.
Manchester & County Bank, Oldham, Ashton & Dobcross	1862	1866	1867	A/c to Union Bank of London
Mansfield Bank	1804	1812	1871	Absorbed by S. Smith & Co.
Merionethshire Bank, Dolgelly	1803	1835 from Esdailes	1873	Absorbed by North & South Wales Bank
Merthyr Tydvil Bank	c. 1814	1816 from Bruce & Co.	1824	Failed
Mills, Bawtree & Co., Colchester	1774	1866 from Consolidated Bk.	1891	Stopped payment

LIST OF BRITISH BANKS—(continued)

Bank	Est.	Account with Glyn's		Disposal of Account
		From	To	
W. Moore, Stone	1810	1837 from Esdailes	1858	Amalgamated with National Provincial Bank of England
Moore & Robinson's Notting- hamshire Banking Co.	1802	1802	1901	Amalgamated with Capital & Counties Bank Ltd.
National Bank of Scotland	1825	1825	1918	Aff. Lloyds Bank Ltd.
Newtown Bank, Montgomery	1807	1807	1831	Failed
North Eastern Banking Co.	1872	1872	1914	Amalgamated with Bank of Liverpool Ltd.
Northern Banking Co., Belfast	1825	1840 from Johnstone & Co.	1919	Agency transferred to Lloyds Bank Ltd.
Northumberland & Durham District Bank	1836	1839 from Bey. Tritton & Co.	1857	Failed
Oak & Snow, Blandford	1848	1848	1858	Bankrupt
Pagets & Co., Leicester	1825	1825	1895	Absorbed by Lloyds Bank Ltd.
Paisley Union Bank Co.	1788	1794	1838	Absorbed by Glasgow Union Banking Co.
Parr's Banking Co., Ltd.	1782	1864 with Curries & Co.	1891	A/c to Fuller, Banbury & Co.
Pease's & Co., Hull	1754	1826 from Pole & Co.	1894	Amalgamated with York Union Banking Co., q.v.
Penrith, Bank	1815	1815	1840	Failed
Perth Union Bank	1810	1828 from Remington & Co.	1836	Absorbed by National Bank of Scotland, q.v.
Peterborough Bank	1808	1808	1817•	Failed
Praeds & Co., Fleet Street	1802	1802	1891	Amalgamated with Lloyds Bank Ltd.

Preston Bank	1800	1812 from Kensingtons	1847	Failed
Provincial Banking Corporation	1864	1864	1870	Became London & Provincial Bank Ltd., <i>q.v.</i>
Rawlings & Son, Padstow*	1801	1801	1820	Failed
Rawson & Co., Halifax	1807	1827 from Jones, Loyd	1836	Became Halifax & Huddersfield U.B. Co., <i>q.v.</i>
Ray & Son, Clare	1801	1801	1819	Failed
Ridge & Co., Chichester	c. 1783	1828 from Fry & Co.	1841	Failed
Ridley, Bigge & Co., Newcastle on Tyne	1755	1755	1839	Amalgamated with Northumberland & Durham District Bank, <i>q.v.</i>
Rochford Bank	1830	1830	1896	Amalgamated with Barclays Bank Ltd.
Saddleworth Banking Co.	1833	1833	1866	Absorbed by Manchester & County Bank, <i>q.v.</i>
Sandwich Bank	1791	1791	1841	Amalgamated with London & County Bank
Sir S. Scott, Bt., & Co.	1824	1891	1894	Amalgamated with Parr's Banking Co. & Alliance Bank Ltd.
T. Sharp & Son, Romsey	c. 1782	1826 from Everett's	1831	Ceased
Sheffield & Hallamshire Banking Co.	1836	1836	1913	Amalgamated with London City & Midland Bank
Shrubsole & Co., Kingston o/Thames	1792	1864 with Curries & Co.	1894	Amalgamated with Parr's Banking Co. & Alliance Bank Ltd.
Smallwood & Spearman, Market Drayton	1809	1809	1823	Failed
D. Smith & Co., Edinburgh	1773	pre-1791	1831	Amalgamated as Kinnear & Smith, <i>q.v.</i>
South Shields Bank	1858	1858	1892	Amalgamated with North Eastern Banking Co., Ltd., <i>q.v.</i>
Stourbridge Bank	1792	1848 from Spooner & Co.	1851	Failed

LIST OF BRITISH BANKS—(continued)

Bank	Est.	Account with Glyn's		Disposal of Account
		From	To	
Sunderland Joint Stock Banking Co.	1836	1837 from Lond. & West.	1840	A/c to London & Westminster
Surtees & Co., Newcastle o/Tyne	1768	pre-1794	1803	Failed
Swaledale & Wensleydale Banking Co.	1836	1866 from Consolidated Bk.	1899	Absorbed by Barclays Bank Ltd.
Swyer & Co., Shaftesbury	c. 1783	1813	1816	Failed
Tipperary Joint Stock Bank	1838	1844	1856	Failed
Trevor, Richards & Co., Whit-church	c. 1799	1799	1816	Failed
Turner, Magor & Co., Truro & St. Columb	1809	1809	1836	Absorbed by Western District Bank
Tweedy, Williams & Co.	c. 1600	pre-1800	1879	Failed
Union Bank of Manchester Ltd.	1836	1836	1940	A/c transferred
Union Bank of Scotland	1830	1843	1925	A/c transferred
Goodson Vines, Wotton-under-Edge	?	pre-1772	1812	?
Andrew Vivian, Camborne	?	1814	1820	?
Vye & Harris, Ilfracombe	1807	1807	1836	Amalgamated with National Provincial Bank
Wakefield Banking Co.	1832	1832	1840	Absorbed as Wakefield & Barnsley Union Bank, q.v.
Wakefield & Barnsley Union Bank	1840	1840	1906	Amalgamated with Birmingham, District & Counties Banking Co. Ltd.
Watkins & Son, Daventry	c. 1783	1827	1836	Became Northamptonshire Banking Co.
J. & R. Watson, Glasgow	1760	pre-1792	1807	A/c closed

West of England & South Wales Dist. Bank	1834	1834	1878	Failed
Western Bank of Scotland, Dundee	1832	1844	1848	A/c to London & Westminster Bank
Wickham & Co., Winchester	1807	1807	1854	Absorbed by Hampshire Banking Co., <i>q.v.</i>
Williams, Williams & Grylls	1863	1863	1890	Amalgamated with Bolitho, Williams & Co.
Williams & Co., St. Columb.	1771	1864	?	Robarts, Lubbock & Co.
Wilts & Dorset Banking Co.	1836	1841	1914	Amalgamated with Lloyds Bank Ltd.
Wolverhampton Bank	1816	from London & West. 1835 from Hanbury's	1863	Absorbed by Midland Banking Co., Ltd.
Wood, Hall & Co., Lewes	1805	1810 from Robarts	1825	Failed
Woodbridge, Lacy & Co., Uxbridge	1887	1887	1900	Amalgamated with Barclays Bank Ltd.
York Bank	1771	1810 from Bolero	1879	Failed
York Union Banking Co.	1833	1840	1902	Amalgamated with Barclays Bank Ltd.
Yorkshire Penny Bank Ltd.	1859	1895	—	—

APPENDIX IV

RAILWAYS WHICH HAD ACCOUNTS WITH GLYN'S

A. BRITISH RAILWAYS

Ambergate, Nottingham, Boston & Eastern Junction	Crystal Palace & South London Junction
Bala & Dolgelly	Deeside
Bargoed Joint Committee	Didcot, Newbury & Southampton
Barnstaple & Ilfracombe	Dore & Chinley
Belfast & County Down	Dublin & Belfast
Birmingham, Wolverhampton & Stour Valley	Dublin, Wicklow & Wexford
Bridgetown & St. Andrews	Dumfries, Lochmaben & Lockerbie
Brighton & Dyke	Dundalk & Greenore
Bristol & Exeter	East Gloucestershire
Bristol & South Wales Union	East Kent
Buckinghamshire	East London
Cambrian	East Suffolk
Cannock Mineral	Eastern Union
Carnarvonshire	Elham Valley
Central London	Exeter & Crediton
Central Wales	Fishguard & Rosslare Railways & Harbours
Chester & Holyhead	Forth Bridge
City & South London	Glasgow & South Western
City of Glasgow Union	Great Central
Coleford	Great Eastern
Colne Valley & Halstead	Great Eastern & Great Northern Joint
Cork & Youghal	
Cornwall	
Crieff Junction	

Great Southern & Western	Malton & Driffield Junction
Great Western	Manchester, Sheffield & Lincs.
Halesowen Light Railway	Metropolitan District
Hampstead Junction	Midland
Hayling	Monkland
Hereford, Ross & Gloucester	Monmouthshire
Hull, Barnsley & West Riding	Norfolk
Junction	Northampton & Banbury
Hull & Selby	Junction
Humber Commercial Railway	North British
& Dock Co.	North Eastern
Irish Great Western	North London
Irish North Western	North London, Highgate &
Irish South Eastern	Alexandra Park
Isle of Man	North Midland
Kearney High Speed	North & South Western Junction
Kendal & Windermere	North Staffordshire
Kent Coast	North Union
Kettering, Thrapston & Huntingdon	North Western
Kingston & London	Norwich & Brandon
Kinross-shire	Nottingham Joint
Knighton	Oxford, Worcester & Wolverhampton
Lancashire Union	Peebles
Lancaster & Carlisle	Perth & Dunkeld
Leeds & Bradford	Pontop & South Shields
Lewes & East Grinstead	Pontypridd, Caerphilly &
Llynvi Valley	Newport
London & Aylesbury	Preston & Longridge
London & Birmingham	Princetown
London & Brighton	Quarry Bank & District Light
London, Brighton & South Coast	Railway
London, Chatham & Dover	Rhymney Joint Line Committee
London & North Western	Ross & Ledbury
Lowestoft	

St. Helens	Taff Vale
Scottish Central	Tottenham & Forest Gate Joint Committee
Scottish North Eastern	Trent, Axholme & Grimsby
Shortlands & Nunhead	Vale of Neath
Shrewsbury & Birmingham	Vale of Towy
Sittingbourne & Sheerness	Waterford & Limerick
South Devon	Welsh Midland
South Devon & Tavistock	West Hartlepool
South Eastern	Weymouth & Portland
South Leicestershire	Whitechapel & Bow
South Staffordshire	Whitehaven & Furness
South Wales	Wilts., Somerset & Weymouth
South Wales Mineral	Wolverhampton & Walsall
South Yorkshire	Wycombe
Stockport, Disley & Whaley Bridge	Yarmouth & Norwich
Stratford upon Avon	

B. FOREIGN RAILWAYS

Alabama Great Southern	Calcutta Diamond Harbour
Alabama & New Orleans	Central Uruguay
Alagoas	Champlain & St. Lawrence
Algeciras	Chicago & Detroit
Antofagasta	Chicago & Grand Trunk
Argentine North Eastern	Chilian Northern
Bahia Blanca & North Western	Cleveland
Bengal & North Western	Cobourg & Peterborough
Brazil Great Southern	Columbian National
Brockville & Ottawa	Conde D'Eu
Buenos Aires Great Southern	Cuban Central
Buenos Aires Midland	Delagoa Bay & East African
Buenos Aires & Rosario	East Argentine
Buenos Aires Western	East Indian
Buitron & Huelva	Emu Bay & Mount Bischoff
Bytown & Prescott	Euphrates Valley

APPENDIX IV

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Great Western of Brazil	Philippine
Haidar Pasha to Ismid	Port Hope, Lindsay & Beaver-
Hamilton & Port Dover	ton
Havana Electric	Pretoria & Pietersburgh
Illinois Central	Puerto Cabello & Valencia
Kootenay	Quebec & Lake St. John
La Guaira & Caracas	Royal Danish
Lausanne & Fribourg	Royal Sardinian
Lemberg — Czernowitz	St. Andrews & Quebec
Leopoldina	Santa Cruz
London & Port Stanley	Santa Fé & Cordova
Melbourne Dock	Santa Marta
Metropolitan of Constantin-	Shire Highlands, Nyassaland
ople	South Sleswig
• Mexican Central	Southern Brazilian
Midland of Canada	Stanstead, Shefford & Chambly
Midland of Western Australia	Syria Ottoman
Montreal & New York	Taltal
Nassau	Tehuantepec National
New Brunswick & Canada	Tonopah & Tidewater
Nitrate	Uruguay Western
North Eastern of Uruguay	West Flanders
North Sleswig	Western Railway of France
Northern Bengal	Western Railway of Havana
Oude	Wiesbaden
Paraguay Central	White Pass & Yukon

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